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28 March 1986

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AUSTRALIA

BRIEFS

PROTOCOLS ON PROTECTION OF WAR VICTIMS--Australia is to ratify the Geneva protocols on the protection of war victims. The protocols supplement the 1949 Geneva Conventions on the protection of war victims which deal with the treatment of the sick and wounded prisoners of war and civilians in time of war. The protocols extend the conventions to noninternational conflict and deal in greater detail with civil defense. In particular, the protocols prohibit indiscriminate attack on civilians and civilian targets. The acting minister for foreign affairs, Senator Evans, said in Canberra that Australia had been party to the Geneva Conventions since 1958 and had signed the protocols in 1978. He said the ratification of the protocols covering war victims would be arranged as soon as possible. [Text] [Melbourne Overseas Service in English 0130 GMT 11 Mar 86 BK] /6662

UNEMPLOYMENT RATE UP--Canberra, March 13 (AFP)--Australia's unemployment rate rose to eight percent last month with 600,000 people out of work, the government statistician reported Thursday. The 0.3 percent rise took the unemployment rate to the highest since last September's 8.1 percent, though it is still an improvement of the 8.4 percent figure for the corresponding month last year. Employment and Industrial Relations Minister Ralph Willis said earlier this month that he expected employment growth to continue in 1986 even though economic growth was slowing down. [Text] [Hong Kong AFP in English 0444 GMT 13 Mar 86 HK] /6662

CSO: 4200/807

BURMA

BRIEFS

MILITARY ACTIVITY IN MONG YANG, KAYAH STATE--Combat news: On 30 January 1986, People's Army units repulsed an attack by the military government's mercenary 2d Rifles Regiment and 5th Infantry Regiment in (Mong Gwe) region east of Mong Yang. During the attack, four enemy soldiers were killed and four, including a mercenary captain, were wounded. Another person was captured. Three G-4's, 1 hand grenade, 2 explosives, 5 Da-80 [as heard] bombs, nearly 140 rounds of assorted ammunition, and some military equipment were captured. Furthermore, an enemy submachinegun was destroyed. Combat news of the combined unit of the People's Army and the Kayah New Land Revolutionary Council [KNLRC]: On 8 January 1986, a combined unit of the People's Army and the KNLRC ambushed the military government's 19th Light Infantry Regiment near (Thayu) village on (Yalu) road in Kayah State. During the ambush, four enemy soldiers were killed; there were wounded; and two G-2's, one M-79 collapsible mortar, three hand grenades, and some military equipment were seized from the enemy. Two other guerrilla attacks by the combined units killed two more enemy soldiers. [Text] [(Clandestine) Voice of the People of Burma in Burmese 1230 GMT 15 Mar 86 BK] /6662

CSO: 4211/37

INDONESIA

BRIEFS

SATELLITE COMMUNICATIONS SYSTEM--Minister of Tourism, Posts, and Telecommunications Akhmad Tahir says that the Palapa B-1 communication satellite is still actively functioning. Commenting on the 12-month postponement of the scheduled launching of the space shuttle "Columbia," which will launch the Palapa B-2P satellite will be used as a backup. He also stressed that the postponement of the space shuttle flight will not affect Indonesia's communications system, but a modification of antennae in the ground stations is needed if we want to use the Palapa A-2 as a backup because the Palapa B-1 is orbiting above Kalimantan, whereas the Palapa A-2 is orbiting above Colombo, Sri Lanka. Asked about the possibility of renting an Intelsat satellite, Minister Tahir said that the government will have to spend more money if it decides to do so. Besides, there is also a technical problem in that larger parabolic antennae are required. However, the government is still considering the issue. [Text] [Jakarta Domestic Service in Indonesian 1200 GMT 5 Mar 86 BK] /8918

GOVERNOR WELCOMES RETURNING BORDER CROSSERS--The PNG Government has repatriated 213 Irian Jayan border crossers who entered its territory some time ago. The repatriation, the sixth of its kind, was carried out by the "Perintis Dharma Nusantara", a ship belonging to the state shipping company. Irian Jayan Governor Isaac Hindom welcomed the border crossers at Jayapura port and told them that those who called themselves members of the Free Papua Movement are liars. They instigate local people to flee to the PNG and spread rumors that returning border crossers will be killed. The governor also stressed that Indonesia is a country based on laws and ethics. [Text] [Jakarta Domestic Service in Indonesian 0700 GMT 12 Mar 86 BK] /6662

CSO: 4213/113

MALAYSIA

PAPERS COMMENT ON MCA-GERAKAN MERGER

MCA, Gerakan Considering Merger

Selangor KIN KWOK DAILY NEWS in Chinese 4 Jan 86 p 2

[Commentary]

[Text] The new president of the Malaysian Chinese Association [MCA], Tan Koon Swan, JP, has announced the possibility of his party merging with the Malaysian People's Movement [GERAKAN]. At the same time, he said he would implement the cooperation agreement signed recently between the GERAKAN and former leadership of the MCA as a long-term program.

Both the MCA and GERAKAN are members of the National Front, and it is not surprising for them to bring up the question of cooperation or merger. This was as expected, especially for the MCA which has formed a new leadership after a protracted period of infighting.

The new MCA leadership must explain its standpoint not long after its investiture. It is a kind of natural phenomenon for the new leader, Tan Koon Swan, to express the leadership's stand toward the GERAKAN, and not a breakthrough action.

Whether the MCA and GERAKAN will merge or cooperate with each other has always been an issue of great concern for the Chinese community. We believe that the majority of the Chinese community agree to the cooperation of the two parties, because this move will consolidate the Chinese strength in the political field.

For a long time now, we have always felt that Chinese political strength is on the decline. We keep hoping that one day the GERAKAN will act as one body and make contributions in the fields of politics, the economy, and education; not only that, we also hope that the party can make contributions to the entire Malaysian people.

It is clear that in the western Malaysian region, the political force of the Chinese is divided among the MCA, the GERAKAN and the Democratic Action Party [DAP]. The MCA and GERAKAN are member parties of the National Front, while the DAP stands on the opposition side.

For many years in the past, in handling Chinese problems, these three political parties held divergent views, and sometimes were antagonistic and hostile with one another.

In particular, the confrontation posed by the opposition parties during a general election period is blatant, resorting to many ways and means to get the votes of the Chinese electorate. The result is that the voters are at a loss who they should cast their votes for, causing a serious dissipation of votes.

Although there is no animosity between the MCA and the GERAKAN in a general election, yet they often hold differing views on Chinese problems and issue conflicting statements. Their inability to take a unified stand in dealing with Chinese problems naturally works to the disadvantage of the Chinese community as a whole.

Organizationally speaking, the MCA, GERAKAN and DAP differ from one another, but in struggling for the rights and interests of the Chinese people, they should jointly adopt a correct stand and attitude. This shouldn't be too difficult to accomplish.

In the past, the MCA and the GERAKAN already signed an agreement for mutual cooperation aimed at strengthening their mutual trust and at dealing with future challenges in order to regain the confidence of the Malaysian Chinese.

Tan Koon Swan has agreed that this cooperation agreement be implemented. We hope that the GERAKAN will give a response within a short period to realize their ultimate objectives.

Although the GERAKAN is a multiracial political party, while the MCA is a monoracial one, we believe that if both parties are willing to make sacrifices, the possibility of a merger can be realized.

Meaning of MCA-Gerakan Cooperation

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 4 Jan 86 p 23

[Editorial]

[Text] MCA President Tan Koon Swan indicated that the MCA has decided to cooperate with the GERAKAN in order to regain the confidence of Chinese society. He added that as a long-range planning, the MCA is also prepared to merge with the GERAKAN.

He said: "The expectations of the Chinese toward reality have been shattered. Therefore, the MCA and GERAKAN must make a concerted effort to undertake some major and positive changes, otherwise the Chinese simply will fall victim to empty political slogans. MCA's urgent task for the moment is to revive public trust and confidence."

In the history of our political development, there have been many records concerning cooperation between the MCA and the GERAKAN; it is by no means a new issue. In fact, early last April, the former MCA leadership and the incumbent GERAKAN leadership already signed a formal agreement for the formation of an MCA-GERAKAN Joint Council and the promotion of members' interchanges, as well as the establishment for a harmonious political relationship.

Judging by past cooperations between the two parties, their motivation was narrowly based on political benefit, mainly to defeat the opposition parties but not for the long-term benefit of the country and people. Therefore, the past collaboration showed a good superficial beginning, but it collapsed eventually due to the fact that each party tried to cheat or outwit the other. Due to the organizational divergence between the two parties, their targets of service and long-range objectives are basically different and sometimes contradictory. The quality of their relationship fluctuated with the prevailing situation--sometimes good, other times bad.

As long as their relationship for basic cooperation cannot be perfected, it simply is unrealistic, empty talk to discuss about a merger of both parties. Tan Koon Swan's remark that merger is a long-range planning means exactly that, and nothing more.

Subjectively speaking, both the MCA and the GERAKAN are still faced with difficulties galore, especially the former which is still battle-scarred, disunited and its top leader involved in the collapse of the Pan-Electric Industries. It is really difficult for the general public to pin their hopes on the capability of the leadership of both parties in fighting for the rights and interests of the ethnic Chinese people.

However, we agree that under the present circumstances, both the MDA and the GERAKAN must jointly make an effort to institute several major and positive changes to regain public confidence and avoid having the Chinese become mere prey to hollow political slogans. In the past few decades, many of ethnic-Chinese interests and rights have been lost because leaders of ethnic-Chinese and ethnic-Chinese-based political leaders have failed miserably in fighting for Chinese rights and interests.

If leaders of both parties profess to have national conscience and the sincerity for cooperation, they must do their utmost to strengthen and consolidate the two parties' political strength, enhance their political status within the National Front, constantly urge themselves on, and firmly hold the interests of the country and people above personal and party profit. Only such changes and cooperation hold any meaning at all.

We hope that the cooperation to be implemented henceforth between the MCA and the GERAKAN will be conducive to restoring public trust, especially the trust of the ethnic-Chinese people.

9300/9738
CSO: 4205/10

MALAYSIA

MCA OFFICIAL COMMENTS ON PAS WOOING CHINESE

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 4 Jan 86 p 14

[Text] Datuk Lee Kim Sai, secretary general of the Malaysian Chinese Association [MCA] indicated that the Islamic Party [PAS] has completely shifted its political strategy toward wooing the Chinese in an attempt to win Chinese support in the coming general elections.

He stressed that the moment it becomes a ruling party, the PAS will definitely govern the country in accordance with Islamic doctrine and bring more serious blows to non-Muslims, particularly in the fields of culture, education, and religion.

Datuk Lee was commenting on the PAS announcement concerning its formation of a Consultative Committee for Chinese Community Affairs.

He said that the PAS was not founded yesterday but had been in existence in our country for many years. The Chinese should get a clear understanding of the Islamic Party's change of strategy.

He said that Chinese political organizations sitting in the National Front have obtained opportunities to take an active part in politics and play their roles.

He added that in the past, when the PAS and the United Malaya National Organization [UMNO] were bickering with each other, the former insisted that the UMNO should rule the country in cooperation with Muslims, the Chinese and other political parties.

He pointed out that at one time the PAS strongly accused the UMNO as infidels, governing the country in violation of the Islamic doctrine. This accusation aroused the ire of the Chinese against Muslims.

Datuk Lee said: "By common political reasoning, the sudden 100 percent change of the PAS, including its series of political strategy, even suggesting that non-Muslims can become PAS candidates in a political election and announcing the formation of a consultative committee for Chinese affairs--all this is nothing but a ploy to win the Chinese support in a general election."

He held that the recent remarks by Deputy Prime Minister Datuk Musa Hitam about Chinese society are worth consideration.

Datuk Lee stressed that it is not a healthy sign for a political party to undergo a 100 percent change within a short period.

He said that if the PAS wanted to understand the sentiment and problems of the Chinese community, the MCA would welcome such a move. However, after achieving this objective, the PAS may no longer exert greater political pressure against UMNO-blessed Malaysian organizations which are enjoying special rights.

Datuk Lee admitted that certain members of Chinese society reacted favorably to PAS' conciliatory moves, but this should not be misconstrued to mean that the PAS is better than the UMNO or that the Chinese agree to the PAS governing the country. This is not the aspiration of the Chinese community.

Datuk Lee maintained that the Chinese favorable reaction to the PAS moves may be attributed to recent government administration which was marked with many irregularities and faulty interpretations, which dealt the Chinese community with serious political and economic blows.

He believes that by using the long-term political status of the Chinese community as a criterion, the Chinese should not support the PAS merely on the basis of sentiment. Instead, the Chinese should work through the strength of their own organizations and reflect the government's unfair administration and deviations in a concrete manner, so they can be rectified.

Datuk Lee said that if Chinese society should feel a deterioration of government irregularities and lose their confidence and switch their support to the Islamic Party, the consequence would not only be detrimental to the Chinese society, but also to the entire nation.

The Chinese should adopt a vigorous attitude toward government administrative deviations and fight to the end for a fair solution through the political strength of the Chinese people. This is the best thing to do.

9300/9738

CSO: 4205/10

MALAYSIA

LIM KENG YAIK ON PROPOSED MCA-GERAKAN MERGER

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 5 Jan 86 p 18

[Text] Datuk Lim Keng Yaik, president of the Malaysian People's Movement [GERAKAN], has yet to reject the suggestion for an MCA-GERAKAN merger.

He stressed, however, that this merger implies the formation of a new party, complete with a new democratic constitution, and at the same time the new organization must be willing to accept all the members of both parties.

While declining to clarify whether the MCA should be transformed into a multiracial political party, Datuk Lim said: "The GERAKAN has 20,000 ethnic-Indian members, 10,000 ethnic-Thai members and several thousands of ethnic-Malay members."

He added that accepting all the members of both parties is a basic principle. "It is my duty as a party leader to look after all the members. Therefore, the new party must also accept all of them."

By way of example, he said that when the Sarawak Bumiputra Party and the Conservative Party were fused into the Bumiputra Conservative Party, all original members of both parties were incorporated.

Datuk Lim made these remarks after a GERAKAN Central Committee meeting.

The other day, MCA President Tan Koon Swan proposed a merger between his party and the GERAKAN to restore the trust of Chinese society.

Datuk Lim Keng Yaik disclosed that his party's Central Committee also discussed the proposed MCA-GERAKAN merger, adding that this merger implies the establishment of a new party and the emergence of a new spirit, with a new democratic constitution.

"A merger should be able to bring about a wider political outlook in order to deal with the mounting racism and fanaticism in a more effective way. Our objective is the realization of a fair and just Malaysian society. Consequently, the merger must also bring about wider representation for all layers of Malaysian society".

Speaking about the MCA-GERAKAN Joint Council, he said that his party's representatives sitting in the council are Datuk Lim himself, Deputy President Datuk Leong Kit Siang, Vice President Gurusamy, General Secretary Kuok Choo Chen and Central Committee member Goh Cheng Teik.

Datuk Lim Keng Yaik also indicated that his party welcomes MCA's proposal for a closer cooperation between the two parties. "This is a good beginning, which is beneficial to our country and people. As a matter of fact, the GERAKAN has always been ready to carry out a closer cooperation."

"We are elated about MCA's readiness to cooperate with our party for the purpose of dealing with numerous urgent and important issues facing our country and people. The GERAKAN has proposed that we refer to the agreement arrived at last April and an MCA-GERAKAN Joint Council conference be held to discuss plans for solving these issues."

Mentioning about MCA members who will sit in the cabinet, Datuk Lim said it is the prerogatives of the MCA leadership to change their representatives in the cabinet.

He hoped that MCA's new cabinet members can earnestly carry out their tasks and aid the people to solve various problems.

9300/9738
CSO: 4205/10

MALAYSIA

CHINESE ASSOCIATIONS' CIVIL RIGHTS COMMITTEE FORMED, ANNOUNCES GOALS

Joint Statement Objectives

Selangor KIN KWOK DAILY NEWS in Chinese 10 Jan 86 p 2

[Excerpts] A large group of Chinese associations, pillared by 15 of them as mainstay, have formed an "All-Malaysia Chinese Associations Civil Rights Committee [AMCACRC] to carry out the nine goals stipulated in the first stage of the "1985 National Chinese Associations' Joint Statement."

This civil rights committee intends to take the initiative to discuss with various political parties plans to solve complicated problems facing our country and people.

In its statement made public today, the committee will invite all political parties to deliberate ways to realize its first-phase nine objectives and draw up realistic, practical, and reasonable solutions.

To rally around and support the committee's "1985 National Chinese Associations' Joint Statement," is called upon various Chinese organizations in different states, such as the Chinese Union, Federation of Chinese Associations and Chinese General Chambers of Commerce, to hold separate meetings by the end of February this year.

Below is a list of the nine objectives mentioned in the joint statement:

1. Eliminate the differentiation between bumiputras and non-bumiputras, and oppose the economic policy of putting the bumiputras' interests above all else.

The economic policy of restructuring society on the basis of bumiputraism has seriously suffocated the development of our nation's economy. As the 30 percent shares equity for the Malays has basically been attained, it is time for the government to eradicate such economic policy gradually and concentrate on wiping out poverty irrespective of race. The differentiation between bumiputras and non-bumiputras, as well as the rampant opinions favoring racism, is the root of ethnic polarization in our country. We must abrogate the racial differentiation and curb racism, which will aid the promotion of national unity.

2. Treat fairly all mainstream schools and the languages used by our nationalities.

We oppose the enforcement of policy of language assimilation or discrimination through legislative or executive authority. We support Malay as our national language, but all nationalities should be free to learn and use their own mother tongues, and this basic right should not be encroached.

Chinese and Indian primary schools should be equally treated as national primary schools in matters of fund appropriation, school building construction, facilities, hiring of teachers and other subsidy programs. No favoritism to one at the expense of others shall be tolerated. Chinese and Indian primary schools' teaching, textbooks, exams, administration, meetings and teachers training are carried out in their mother tongues except non-mother tongue subjects.

The government should recognize the contributions made by Chinese-language independent schools to our national schools, and also the significance of their existence. At the same time, the government should support independent Chinese middle schools development in funding, teachers training, school construction and facilities; should permit the Chinese students to transfer to other schools; and grant permits to open branch or new schools with permanent registration certificates.

3. The formation of a cultural policy must recognize and accept the pluralistic characteristics of our national society.

Malaysia is a multiracial, multireligion and multicultural society. The formation of our cultural policy must accept our pluralistic society, treating the cultures of our various races fairly. We oppose the government's attempt to force the aspirations of a certain race upon another by means of law or an administrative force. Our national culture is the sum total of the cultures of our nationalities, and its development should be based on the outstanding elements of our cultures, by incorporating things of diverse nature, and seeking common grounds while reserving differences.

4. Develop new villages in an all-round way to be incorporated into the national development mainstream.

For more than 30 years, some 1 million-odd inhabitants of new villages have been relegated to outside of the national development mainstream. Since 1970, only M\$50 million have been earmarked for the development of new villages during the three Malaysia Plans. On the average, each new village resident received a pittance of M\$4. Poverty-stricken villagers should have the right to take part in the national development plans. The authorities should draw up concrete policies and measures to solve the following problems: shortage of land and problem of title-deed for land-holdings, unemployment, lack of good basic facilities, pressure of population increase and low educational standard.

5. Strictly ban illegal immigrants to maintain our social tranquility.

The problems of Indonesian illegal immigrants and Saba-Philippine refugees have grown serious by the day. Not only have they robbed local laborers of their job opportunities but also harassed public order.

6. The government should speedily handle and approve all qualified applications for citizenship.

The procedure to apply for citizenship should be simplified. The predicament of "stateless" residents should be reviewed and studied, and the government is morally bound to help them on humanitarian grounds.

7. The demarcation of electoral districts should be based on the fair, democratic principle of "one person, one vote," so the total number of electorates in each electoral district is generally the same.

Equality under the democratic system means the principle of "one person, one vote," and each citizen's right to vote should be the same, irrespective of race, religion, sex, occupation, social background, or the locality where one lives.

However, as the constitution does not specify the minimum or maximum number of voters within an electoral voting district, it is now known that in certain parliamentary electoral districts, the number of voters in a certain district may be twice or three times more than another district, thereby violating the principle of fairness and democracy.

8. Establish a clean, effective administrative system, and deal with corruption stringently.

To build a clean and effective administrative system, the government must take precautionary measures to streamline the bureaucracy and reduce chances for corruption, and strictly punish the guilty as a warning to others.

9. Reexamine the laws that violate basic human rights.

The Internal Security Act, the Incitement Act, the Printing and Publishing Act, the Universities and Colleges Law, as well as other laws which violate basic human rights, should be reviewed and reexamined.

The All-Malaysia Chinese Associations Civil Rights Committee is taking the initiative to discuss with various political parties about ways to deal with the complicated problems facing our country and people. As stipulated in the "1985 National Chinese Associations' Joint Statement," its aim is "to safeguard the civil rights and democratic rights, the state principles and the United Nations Human Rights Declaration, all of which are stipulated in our federal constitution. At the same time, we are striving for the due rights and interests of all our people." The committee believe that it is the duty of all political parties and mass organizations to promote

the equality and unity of all our nationalities, jointly help national reconstruction for the country's progress and prosperity and permanent peace and tranquility. The committee deeply appreciates that the realization of the objectives of the Chinese Associations' Joint Statement is a long, onerous and complicated process. We must strive for its achievement rationally and lawfully, based on objective and subjective conditions and through proper channels.

KIN KWOK's Comment

Selangor KIN KWOK DAILY NEWS in Chinese 11 Jan 86 p 2

[Commentary]

[Text] The leading mechanism of a group of Chinese organizations has announced the formation of an "All-Malaysia Chinese Associations Civil Rights Committee," which carries a deep significance. Its most important aim is to carry out the nine major objectives stipulated in the "1985 National Chinese Associations Joint Statement."

Membership of the leading mechanism mainly comprises Chinese unions, alumni clubs, chambers of commerce and fraternal guilds. As a matter of fact, it is an umbrella organization embracing various elements of Chinese associations, therefore the joint statement signed in 1985 was a highly representative one.

First of all, we need to explain why it was deemed necessary to sign a joint statement. What was the purpose of this statement?

The leaders of the above-mentioned Chinese organizations mainly come from business and educational circles who are fully aware that the Chinese are faced with many difficulties in economic and cultural fields. If they are not rectified now, the Chinese will face a dark future.

We believe that the joint statement of the Chinese associations carries a special meaning, for it represents a unified opinion among business and educational circles on our economic, cultural and educational problems, and it brings up some methods for resolving these difficulties.

In fact, the contents of the joint statement are not restricted to economic, cultural and educational problems, but include basic human rights and social problems, such as civil rights, illegal immigrants, demarcation of electoral districts, poverty, administrative efficiency and new village development.

For practical purposes, the joint statement embraces all difficulties being faced by the Chinese in our country, representing the unified inner voice of the entire Chinese nationals.

However, there is one thing we must admit, and that is, that the joint statement must go through a sort of political strength in order to be implemented, otherwise it will be nothing but empty talk which will even make the situation worse.

The Civil Rights Committee was formed for the purpose of carrying out the joint statement of the Chinese joint statement. This committee may take the initiative to discuss and seek practical ways with all political parties. This is something that must be done, because these Chinese association is nothing but a mass organization, so it must join hands with political groups to give full rein to its role.

We have several political parties whose memberships are made up of Chinese people, such as the Malaysian Chinese Association [MCA], the Malaysian People's Movement [GERAKAN] and the Democratic Action Party [DAP]. Although organizationally speaking they are different from one another, we hope they will give their wholehearted support to carry out the Chinese joint statement. In particular, the DAP, which is an opposition party, should not take this occasion to make criticisms, because the eventual effect would be disadvantageous to the Chinese society.

The MCA and the GERAKAN are member parties of the National Front. Although they do not express their views publicly on certain sensitive issues, we hope that both parties will aid the implementation of the Chinese associations' joint statement with a sincere attitude and positive action.

We attach great importance to the term "sincere and vigorous attitude." With the approach of a general election, neither party should show off a fawning or hypocritical attitude simply for the purpose of winning votes from the Chinese. They may get Chinese votes, but this is only of a temporary nature. Lack of sincerity or trying to ingratiate oneself with others will eventually be repudiated by Chinese society, while the problems faced by the Chinese community will remain unsolved forever.

SIN CHEW's Comment

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 11 Jan 86 p 23

[Editorial]

[Text] An "All-Malaysia Chinese Associations Civil Rights Committee" has been formed to carry out the "1985 Chinese Associations' Joint Statement." This is an event which has aroused the attention of Chinese society since the signing of the 1985 joint statement. It indicates a good start for the Chinese associations which have begun to stand up after sitting down for a long time.

This civil rights committee has drawn up plans on how to implement the nine objectives mentioned in the joint statement, including the eradication of demarcation between bumiputras and non-bumiputras, the opposition to the economic policy which puts bumiputras' interests above all others, a fair treatment of all mainstream schools and languages of various nationalities, and the acceptance of the pluralistic characteristics of our country in formulating our cultural policy.

This civil rights committee has decided to invite all political parties to deliberate concrete measures for implementing their nine objectives. In addition, the committee has also called on various Chinese associations throughout the land to hold separate meetings by the end of February this year as a token of rallying support to the goals of the joint statement.

The civil rights committee has requested all political parties to express their views, in line with our democratic system, on how the nine objectives can best be achieved. On this point we have no cause for much criticism, as we must make good use of all supporting forces. However, in light of the spirit and political platform of various political parties, especially their past performances in trying to fight for the interests of the Chinese people, we think that the civil rights committee should take a cautious attitude in dealing with these parties. The reason is that we cannot be sure whether these parties will be willing to relinquish its party profit and personal selfishness in favor of the nation's interests. As a matter of fact, the preamble of the Chinese Associations Joint Statement clearly pointed out: "We are disappointed by the inability of the National Front government and Chinese-based political parties to solve the major problems faced by the Chinese society."

Naturally, we hope all political parties, particularly Chinese-based parties, will henceforth give an outstanding performance to fight for the rights and interests of the people for the benefit of our country and people. If they can do that, their excellent achievements will be assured.

The Chinese Associations Civil Rights Committee has appealed to all Chinese leaders to hold separate meetings in their respective associations, to rally around and thoroughly support the nine objectives of the joint statement. This is only natural. However, we believe that the civil rights committee should pay more attention to the reaction of the general public to see whether they fully understand the contents and spirit of the joint statement. If they do understand, then they will willingly support the Chinese organizations with a sense of empathy. This is an important problem, because we need the power of the people if we want to fight for their rights and interests. If we cannot mobilize the force of the people, all efforts will be in vain. We hope the committee will pay attention to creating realistic public work and to forming a solid foundation.

Another point is that the joint statement of Chinese associations is, in effect, not merely the aspirations of the ethnic-Chinese people; it also expresses the wishes of other nationalities. From the viewpoint of our national policies and the problems involved, the Chinese Association's Joint Statement is a patriotic statement aimed at promoting the unity of our people and the progress of our country. Consequently, this statement is worthy of being taken seriously by our national leaders. We hope that the leaders of the Chinese associations bravely and rationally carry out the objectives of this joint statement through various channels.

9300/9738

CSO: 4205/10

NEW CALEDONIA

KANAK LEADER SCORED ON LIBYAN LINKS

Paris LE MONDE in French 5-6 Jan 86 p 16

[Article by Frederic Filloux: "The Caledonian Union Disavows Mr Uregei, Sponsor of Relations Between FLNKS and Libya"]

[Text] "The relations of Yann Celene Uregei with Libya concern only him." In these terms the Caledonian Union (UC), principal member of FLNKS [National Socialist Kanak Liberation Front], commented on Saturday, 4 January, on the initiative of the president of FULK (United Front of Kanak Liberation), one of the most hostile minority parties of the independentist coalition. In an interview given to an Australian paper on the preceding day, Mr Uregei, who holds the position of "foreign minister" in the "provisional government" of the FLNKS, announced that 2 months from now he would go to Tripoli at the head of a delegation of the independentist movement to take part in a "summit of liberation movements" convened by Colonel al-Qadhdhafi. "There is nothing unusual about that," Mr Uregei thinks. "FLNKS will be just one among two hundred others at a meeting which is held every 2 years. This will be our first participation in that event. For the one in 1983 in Angola, the invitation reached us too late."

That doesn't end it. The UC, anxious to appear as a responsible and non-violent organization, has for the first time openly dissociated itself from the leader of FULK. "This time Yann has gone too far," said a spokesman on Saturday. The words of the communique of Mr Jean-Marie Tjibaou's party are clear--"The Caledonian Movement advises that it is in no way involved in this statement, the directorate of FLNKS never having been consulted about the matter. As a driving force in FLNKS the UC believes that the eventual participation of some leaders or activists would involve only them....We refuse to give standing to international terrorism wherever it may come from."

Based on the evidence, Mr Uregei is accordingly isolated in his episodic relations with Libya, which previously had aroused only muted criticism in the ranks of FLNKS. At the end of 1984 the leaders of the Caledonian Union had reluctantly agreed to sending "trainees" to Libya, and the former "minister of security" of the FLNKS, Eloi Machoro, killed on 11 January by the GIGN [not further identified] had also gone to Tripoli, but today Mr Tjibaou and those near him consider all relations with Colonel al-Qadhdhafi damaging to the moderate image which the independentist movement wants to have.

Mr Uregei for his part indicated to us that the relations of the independentists with Tripoli have been carried on up to the present through the intermediation of the Vanuatu Center Community, whose office is at Port-Vila, capital of the Republic of Vanuatu (formerly New Hebrides). According to him, this organization, which embraces the liberation movements of the Pacific countries, is linked to Tripoli, and it was through its intermediation that the training course of November 1984 was arranged.

According to the authorities concerned, these training courses in Libya are said not to include intensive terrorist training but to be oriented rather toward political education. However that may be, they damaged the image of the FLNKS considerably, even among the countries supporting the Kanak cause, and the New Caledonian separatists have been vigorously criticized in certain assemblies where the independent countries of the region come together, such as the Forum of the Pacific. The statements made by Mr Uregei to the Australian press also led the Australian Government to warn Libya against any exportation of violence to the Pacific, and the minister of foreign affairs, Mr Bill Hayden, called in the ambassador from Tripoli on Friday to ask for an explanation. That warning is also indirectly addressed to the FLNKS. The Caledonian Union understood it perfectly.

13028/6091

CSO: 4219/21

NEW ZEALAND

GDP CONTRACTS SHARPLY, OPPOSITION CRITICIZES POLICIES

Auckland THE NEW ZEALAND HERALD in English 3 Feb 86 p 3

[Article: "GDP Shrink Confirms Economic Predictions"]

[Text]

The long-forecast slowdown in economic activity finally began towards the end of last year, with a sharp contraction in the gross domestic product between June and the end of September.

The economy contracted by 0.3 per cent in the September quarter, according to official figures released at the weekend by the Government Statistician, Mr Steve Kuzmich.

This follows a 1.7 per cent increase in the real GDP recorded during the previous quarter.

The quarterly index of GDP is the broadest indicator available of economic activity. The weekend's figures are in line with other recent economic indicators.

Employment statistics re-

leased last month showed the recession was beginning to throw thousands of people out of work, with the number of people registered as unemployed increasing by more than 2000 during December.

'Consistent'

This reversed a steady improvement in the number of people out of work up until then.

While Opposition spokesmen yesterday accused the Government of destroying economic growth, the Minister of Finance, Mr Douglas, said the figures were

consistent with both Government and private predictions.

He said the Government's policies had helped to sustain the economy through a period of exceptional growth which lasted well beyond the end of 1984, when the recession had originally been expected to hit.

"As a result, we are entering a period of readjustment which the country has always had to face, but from higher levels of economic activity with improved ability to handle the adjustment," said Mr Douglas.

He said the figures contradicted Opposition claims that Government activity had ballooned out of control under Labour.

'Misleading'

The figures released this weekend showed the general government services sector in the September quarter was down 1.8 per cent on the corresponding 1984 quarter and down 1.1 per cent for the 1985 September year compared with the 1984 September year.

But Mr Douglas said this figure was misleading because of a peculiarity of the way in which the GDP figures were worked out. Increases in oil exploration activity were counted as a negative impact on economic activity until oil was struck.

"The decline shown for the sector reflects in part the positive oil exploration activity now under way. In any other sector increased activity adds to the GDP figures."

The Opposition finance spokesman, the Hon Bill Birch, said the weekend's figures confirmed that the growth in the economy at the time of the change of government had sufficient momentum to carry it through beyond the third quarter of last year.

"It is also clear the series of economic decisions made by Mr Douglas and the Lange Government since the election have all but destroyed that growth," he said.

NEW ZEALAND

PAPER ANALYZES DOUGLAS' 'LUCK' ON ECONOMY; END VIEWED

Auckland THE NEW ZEALAND HERALD in English 22 Feb 86 p 6

[Commentary by Simon Collins in the "Politics" column: "Indian Summer for Economy May Be Ending"]

[Text]

The Minister of Finance, Mr Douglas, must be one of the luckiest people in New Zealand politics.

The question is: what will become of "Rogernomics" when his luck breaks and the country slides this year into what could be the deepest recession in a decade?

At the moment, Mr Douglas, like most urban New Zealanders, is enjoying an Indian summer of economic buoyancy which has lasted far longer than anyone expected.

At first, during most of last year, booming exports boosted by devaluation, and a monetary policy which later proved to have been more relaxed than intended, kept the economy growing on the most sustained upturn since the early 1970s.

There was a hiccup late in the year when the unplanned rise in the kiwi dollar and interest rates produced a rush of factory closures.

But the sharp reversal in the kiwi dollar in late December, combined with an unplanned wage round of 16 to 20 per cent, has put money back in the pockets of both exporters and wage-earners.

The result has been a good Christmas for shopkeepers, an unexpected fall in unemployment in

January and, apart from 100 people at Pacific Steel, in Otahuhu, no sign of the mass layoffs which had been predicted.

'Respectable' Deficit

Even the Government budget appeared this week likely to produce a "respectable" deficit of \$1.7 billion, helped by lower world interest rates on its foreign debt and the tax taken from wage-earners' pay rises.

The icing on an already mouth-watering cake has been provided by the dramatic halving of world oil prices, which will boost the economies of Europe and Japan and allow them to buy more New Zealand products.

This run of luck, however, is now almost sure to end.

Economists have cried doom so often now, yet the economy has stayed so buoyant, that it would be easy to dismiss the Institute of Economic Re-

search's warning this week that the economy has started on the sharpest downturn since 1977.

But that would be wrong. The institute's business opinion survey found that 54 per cent of manufacturers and builders have already suffered a fall in orders in the past three months, with 59 per cent expecting a further fall this quarter.

Dr Gareth Morgan, of the Wellington forecasting group Infometrics, believes that there will be no net growth in jobs this year, and consequently "markedly higher" unemployment.

What is more, he believes the recession is being deliberately induced by a tight Government monetary policy, with resulting high interest rates and a high exchange rate, which is finally starting to bite.

Unemployment The Price

"It needs to get worse

for Rogernomics to work," he says.

Mr Douglas has been telling workers for so long that the price of higher wages is higher unemployment that he is now virtually obliged to drive the lesson home.

As long ago as the 1984 election, the Labour Party warned that the country was living beyond its means, and would need to tighten its belt, stop importing so much, and increase exports.

But Dr Morgan notes that the emphasis has now changed. The balance of payments, still running at minus \$2.4 billion in 1985, compared with minus figures of \$2.1 billion and \$0.9 billion in the previous two years, seems forgotten, and the emphasis has switched to inflation.

"Mr Douglas, I think, has always said that New Zealand's main problem is inflation," Dr Morgan says.

For years, inflation has run at around 15 per cent in New Zealand, compared with about 8 per cent elsewhere, a gap of 7 per cent.

By September this year, New Zealand inflation will be down to 10 per cent. But lower oil prices will bring overseas inflation down to 3 per cent. The gap will still be 7 per cent.

"As long as we inflate faster than the rest of the world, our currency has to keep depreciating. That means we have to keep absorbing it in a never-ending spiral," says Dr Morgan.

Enlightened Policy

"Now he [Mr Douglas] knows he has to have a really protracted depression to cure inflation."

Dr Morgan himself believes this is "still very much an enlightened policy." But other economists disagree.

Professor Bryan Philpott, of Victoria University, says the attempt to control inflation by control of "primary liquidity" has failed.

It has not stopped wages going up almost 20 per cent, and he believes it will not stop companies passing on wage costs in higher prices as they always have.

Indirectly, it is true that the monetary policy has forced up interest rates, which have attracted foreign money and forced up the exchange rate, which has cut import prices and forced exporters to cut back and lay people off.

"But 20,000 unemployed is too high a price to pay to knock 1 or 2 per cent off the inflation rate," Professor Philpott says.

He urges a deliberate policy to bring the exchange rate down to a level which will sustain the farming industry and enable manufacturers to compete overseas.

However, Mr Douglas himself disdains any such alternative.

He points to the good January unemployment figure as proof that the Institute of Economic Re-

search survey is "unduly pessimistic." And he believes the old economic rules no longer apply.

"You have a whole new breed of entrepreneurs out there," he says.

"Management has changed. They are not people who are coming to the Government asking for a handout. They are actually doing some very creative things and getting on with the job."

He believes that a downturn was inevitable when the Government started to "remedy some of the imbalances" in the economy. Cutting its own overspending was a negative influence.

"We have got to get inflation down. The very viability of our trading sector and farming is based on getting inflation down," he says.

He believes the low inflation rate in the last quarter of last year is a sign that he is succeeding in this goal.

Despite signs that Labour backbenchers would not tolerate high unemployment, he is determined to stick to his tight monetary policy literally regardless of what happens to jobs.

But, in practice, he does not think unemployment will be all that bad.

"If people do respond positively, then there is no reason why the downturn should not be relatively short-lived," he says.

"What we are doing is putting in place a policy that will create jobs in the medium term."

/9274

CSO: 4200/795

NEW ZEALAND

EDITORIAL CRITICIZES EC FARM POLICY

Auckland THE NEW ZEALAND HERALD in English 7 Feb 86 p 6

[Editorial: "Dump the EC Farm Policy"]

[Text]

Having only recently abandoned agricultural price support policies of our own, it may be considered somewhat impertinent to cast stones too vigorously at the common agriculture policy of the European Community. If the consumers of the member countries are happy to subsidise farmers lavishly by an amount estimated at more than \$1500 a year for each non-farm family, that may be counted their affair.

But since its inception nearly 30 years ago the domestically oriented policy of open-ended price support has grown into a seemingly unmanageable monster with substantial international effects. It has stimulated European agricultural production and subsidised exports, causing Europe to move from being a net importer of farm products to becoming the world's second largest exporter.

Europe's protectionist agricultural policies have destabilised and depressed — by some 16 per cent — prices on world markets, imposing substantial costs to the economies of rural exporting countries like New Zealand. Those effects make the policy very much one for international condemnation.

With subsidy costs soaring and production some four times greater than consumption, leading to vast food mountains, there is an increasing acknowledgment

in Europe that the policy must be reformed. Mr Frans Andriessen, agriculture commissioner and vice-president, has declared that the policy must be adapted to give market prices a greater role in guiding supply and demand. Some reforms have already been made. Part of that process is the proposal to dump 60 per cent of the EC food mountains on the world market in the next three years.

Even if the dumping is carried out in an "orderly" manner, New Zealand is unlikely to be immune from its effects. But if it is the first step in real reform of a policy that is little short of an anathema, it may be a bitter pill worth swallowing. Mr Andriessen declared that the reform process demanded political choices. The main task for New Zealand, and like countries, will be to ensure that Europe maintains the political courage to continue the reforms.

Thus strengthening the rules on agricultural subsidies in the forthcoming round of the General Agreement on Tariffs and Trade becomes even more important.

It would be helpful, too, if Europe could be persuaded to consign some of its surpluses to those famine-stricken countries which cannot afford food purchases, and thus have less effect on world trade.

NEW ZEALAND

SUP ORGAN DISCUSSES CLOSURE OF FORD PLANT

Auckland NEW ZEALAND TRIBUNE in English 10 Feb 86 pp 1, 2

[Article: "700 Ford Workers Sacked! More Plants To Close!"]

[Text]

BY mid-1988 the Ford Motor Company will have ended vehicle assembly at its Seaview plant in Lower Hutt after almost 50 years of production. Seven hundred workers will have been laid off as the biggest step yet is taken to 'restructure' the motor industry—'restructuring' that will shed many more hundreds of jobs, see widespread introduction of technology and automated processes as the industry adapts to the sophisticated Japanese domination of motor vehicle production.

The announcement made on January 31 ends months of speculation and rumour about Ford's intention. After having made huge profits over its more than 50 years production it is walking away and leaving a massive hole in the local economy.

Workers at a mass meeting last week expressed anger, bewilderment, fear and frustration.

Fred a worker with more

than 20 years experience and a dependent family, angrily told *Tribune* reporter: "We have asked the company for the last three years if they were going to close. I could have taken up another job over two years ago; but they said it was only rumour-mongering—the unions trying to cause trouble."

Most like Fred face a difficult time getting replacement jobs. Another group of

workers collectively expressed the question, "where is it all going to end? Are there no jobs with real security for the future?"

That question is the real centre of the problem. Ford, like all other monopolies and transnational corporations, has no interest other than making bigger and bigger profits. It's time that the communities, trade unions and workers established democratic control over such companies. No amount of pious good intentions about job relocation and so on can hide the fact that Ford is pulling out and leaving not only the 700 workers in the lurch but also a big chunk of small business whose future is also in tatters.

The SUP supports proper compensation for the workers and the community, opposes the employer sponsored 'restructuring' of the industry which will see other plants close down, calls upon the government to nationalise the industry and to put workers' jobs and living standards as a first priority.

The company can become the centre of our industry-wide struggle to prevent the destruction of hundreds more jobs. What is required is an industry strategy that will unite the workers within the industry and the wider community to win social control of the motor industry giants. ■

NEW ZEALAND

LANGE VOWS TO TACKLE STATE WAGES 'RANSOM'

Auckland THE NEW ZEALAND HERALD in English 11 Feb 86 p 3

[Article: "Government Will Not Stand Wage Ransom"]

[Text]

The Prime Minister, Mr Lange, reacted sharply yesterday to the mounting state wages bill, saying state pay-fixing had become a major problem which the Government would have to tackle.

In declaring the Government's determination not to be "held to ransom by greedy people," he concentrated his attack on Air New Zealand pilots, whose current industrial action he described as a "form of gangsterism."

Mr Lange said the pilots' tactic of using more fuel on take-offs and on longer routes was betraying any justice their cause might have.

In state pay-fixing generally the normal criteria had been abandoned, he said. And there was a "quite unreal perception" that the taxpayer was a bottomless purse.

His comments come in the wake of estimates that the state wages bill will cost the Government an extra \$1.2 billion a year.

The result will be a further increase in the budget deficit — a point which Mr Lange conceded yesterday.

He added that there were still more than 90 individual class claims within the public service due for assessment and decision.

Although Mr Lange was not specific on how the Government would come to grips with fixing wages and salaries for state employees, he ruled out the likelihood of wage controls. The Government would not be tempted on that option because it had led to the "shambles" in the first place, he said.

"We have got to seize that authority again and we are going to do that this year.

"We are going to point out to people that it [the public purse] is not a bottomless pit."

Mr Lange said he thought there was a major problem in state pay-fixing, "a fundamental problem that we have to address as a Government."

He blamed the Opposition for a system which had made the Government prone to escalating claims from every other sector. The normal criteria had been abandoned by those sectors.

"What has an impact is that so-and-so got 38 per cent.

"I mean, criteria have long since gone out the window and quite illusory figures sometimes have become the whole logic of the argument," Mr Lange said.

The impact of the Higher Salaries Commission determinations last year on the 1985-86 wage round had been disastrous, he said. He regretted that legislation had not been passed to nullify the determinations.

Although the Government could have legislated retrospectively, it had chosen not to because "we are an interesting coalition of principles."

He focused his attack on the Air New Zealand pilots, for whom he said the Government had no sympathy. The pilots are seeking pay rises of up to 30 per cent.

"To delay flights while flight crews go from Mangere to a restaurant in Auckland and come

back to resume the flight is a form of gangsterism which is unparalleled from people who allege that they are professionals."

Mr Lange noted the decision by Continental Airlines in the United States to cancel wage agreements with pilots and impose reduced pay scales.

"The pilots ought to remember the airline that is going to fly the Pacific against them has been in competition with companies that sacked all pilots and re-engaged them at two-thirds salary."

He added that he was not advocating Air New Zealand should use the same tactics as Continental Airlines.

Mr Lange asked why pilots, who were skilled and received substantial remuneration, engaged in "gas-guzzling manoeuvres on runways and takeoffs."

And he queried why they should demand more, in effect, than the chief executive of the airline.

Prison officers, too, incurred the Prime Minister's wrath for their threatened action. They are seeking better wages to compensate for increased responsibilities and stress.

Mr Lange said the officers' dismissal of a 20 per cent offer as a nil offer was beyond his understanding of the English language.

On whether the seemingly generous settlement to police may have set a precedent for others in the state sector, he said it came back to the problem of perception.

Police worked long and unusual

hours, attended grisly scenes and had to "pick up pieces of society's absolute disintegration."

A pilots' spokesman, Captain Jerry Rees-Webbe, said in Wellington last night that the Prime Minister's remarks did nothing to help the dispute.

"If anyone is a gangster, it is the politicians who gladly accepted their pay rises last year."

Captain Rees-Webbe said Mr Lange had adopted Sir Robert Muldoon's habit of disparaging the pilots. Sir Robert had called them "psychotic misfits."

The outburst had served only to divert the row away from what pilots saw as the real issues. Pay was one element, but other matters were concerned.

Relentless pressure on Air New Zealand to compete and improve operational efficiency at the same time as embracing an "open skies" policy was at the heart of those concerns.

Certain Rees-Webbe said moves towards deregulation by Air New Zealand had caused problems with all its unions.

It had become clear that deregulating for commercial expediency raised safety problems.

"Deregulating and open skies are doing nothing for the safety of the travelling public," he said.

These broader issues were at the core of the pilots' dispute, but airline management and now the Prime Minister insisted on masking it as a pay row.

/9274

CSO: 4200/795

NEW ZEALAND

LABOR MINISTER CRITICIZED OVER WAGE DISPUTES

Auckland THE NEW ZEALAND HERALD in English 14 Feb 86 p 5

[Text]

The Minister of Labour, Mr Rodger, again came under fire from the Opposition yesterday as a series of industrial disputes continued to cause disruption throughout the country.

The Opposition's new labour spokesman, the Hon Bill Birch, accused Mr Rodger of not fulfilling his responsibilities and becoming "a bystander in the process of extraordinarily high wage settlements."

On Wednesday, the Leader of the Opposition, Mr McLay, called Mr Rodger a non-performer who was sitting on the sideline and doing nothing.

Mr Birch said wage fixing was taking place not by negotiation but by strike action.

10 Disputes

He distributed copies of a magazine interview with Mr Rodger in which Mr Rodger said that he would refuse to intervene in disputes, except those he regarded as affecting the national interest.

Mr Birch listed 10 disputes which he said fell into that category. They were:

- The stopping of work at 26 of the country's 38 freez-

ing works.

- Stopwork meetings throughout the country by secondary schoolteachers.

- The Air New Zealand pilots' dispute which would lead to a second stopwork meeting on Monday.

- The giving of 14 days' notice to strike by the Air New Zealand stewards and hostesses over a rostering dispute.

- Industrial action by hospital kitchen staff in Northland.

- A walkout by prison officers in Christchurch and Invercargill over a wage dispute.

- Closures at the Kawerau and Tasman pulp and paper mills because of strikes over a pay claim.

- Labourers, who were "preparing maximum disruption."

- The likelihood of industrial action next week among Ministry of Transport traffic officers after a breakdown in wage talks.

- A clerical workers' pay dispute in Wellington, which was threatening to close two production lines at Wellington motor assembly plants.

Mr Birch said: "Not one of the above listed could be regarded as other than affecting the national interest."

Great Concern

In response to Mr Birch's list, Mr Rodger said he was watching closely the dispute in the freezing works, adding that it was "obviously of great concern."

He said he had discussed it with unions and the freezing companies.

The teachers' dispute was not in his portfolio but talks were continuing; the pilots' stopwork meeting had been deferred while talks continued; and discussions were "proceeding well" over the stewards' row.

On the Northland kitchen staff action, Mr Rodger said negotiations were proceeding and there were prospects of a compulsory conference or committee of inquiry.

Wildcat

The prison officers had produced only a wildcat 90-minute strike — and talks were now going on — while the Tasman dispute was before the court and work would resume immediately.

With the labourers, the award had been settled; the traffic officers were continuing to discuss their case; and Mr Rodger did not mention the clerical workers' dispute.

/9274

CSO: 4200/795

28 March 1986

NEW ZEALAND

ARMY RECRUITING PICKS UP AFTER 5 YEARS

Auckland THE NEW ZEALAND HERALD in English 20 Feb 86 p 4

[Text]

NZPA

Wellington

For the first time in five years more people are joining the Army than are leaving — in spite of a record discharge rate, says an Army spokesman.

Projected figures show that 1210 soldiers will have enlisted in the financial year ending on March 31.

This will be the highest number of soldiers ever recruited in peacetime, and 85 more than the next highest in 1977/78.

The Army's senior personnel officer, Colonel Bret Bestic, said the reversal of the trend was due to a positive recruiting campaign begun after the Government authorised an additional 300 regular force soldiers last year.

The record recruitment was being accomplished without lowering entry standards. The Army was not soaking up

"unemployables." That was a common misconception.

"We are seeking personnel in a highly competitive market. Pre-entry standards have not been lowered," he said.

"In an all-volunteer Army, which we have had since 1973, we only accept those whose mental ability is among the highest in the land, down to what is commonly regarded as 'average.'"

"We have calculated that in the 16-24 age group one male out of six has shown an active interest in a possible career in the Army.

"Such high interest and awareness indicated that many young men regard the Army as a good place to be."

Colonel Bestic said he was sure that the present high discharge rate of about 70 a month would come down with new pay rates about to take effect, including a 15.5 per cent annual general adjustment.

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CSO: 4200/795

NEW ZEALAND

RISING TELEPHONE RATES, LINK TO BUDGET HIT

Auckland THE NEW ZEALAND HERALD in English 22 Feb 86 p 6

[Editorial: "Post Office Bill a Stunner"]

[Text]

The public had been warned to expect rises in Post Office charges, and to a degree had been softened up for them. The announcement a week ago, for instance, that capital spending was to increase by 30 per cent largely to meet a massive demand for telephones, no doubt — by design or unwittingly — fostered kind thoughts among those on telephone waiting lists. Nevertheless, the full weight of all the extra charges announced yesterday leaves the whole community feeling a little groggy.

The average rise is 22 per cent. Residential telephone rentals go up by 17 per cent; service connections by 30 per cent; the standard letter charge from 25c to 30c; Christmas cards from 18c to 25c; and so on. Although postage costs will not rise again when the goods and services tax is introduced in October, the cost of using telecommunications services will do so.

All told, the Post Office by its latest exercise hopes to rake in an extra \$322 million. And all this when the Government identifies inflation as Public Enemy No 1.

This is cost-plus pricing with a vengeance, the very opposite of the Government's professed philosophy. What about improvements in efficiency and productivity? The main prospect of those — and in some aspects Post Office efficiency has clearly declined —

seems to lie in the proposals of private management consultants who have been reviewing the structure of the Post Office and its savings bank. But their recommendations have still to be received.

In the circumstances, it is hard not to agree with the Opposition when it claims that the Government is desperate for extra money to keep down the budget deficit to a tolerable level. Oddly, it was extra Post Office spending of \$100 million on telephone equipment that Mr Douglas cited on Tuesday as one of the four factors behind the increase in the deficit.

Yet last year he took \$108 million from the Post Office in tax, as well as \$77 million for a dividend. Collecting it with one hand and returning it with the other would seem to be a curious accounting procedure.

Mr Hunt seems to be involved in a similarly quaint exercise. He says that without the increased charges the Post Office profit after tax will shrink from \$209 million last year to a loss of \$40 million in 1986-87, and "it would then be impossible to pay a dividend to ease the burden on taxpayers."

That is a nice thought on his part. But he could, of course, ease the burden on taxpayers-as-captive-customers, at the other end of the operation, by holding Post Office charges to a minimum.

NEW ZEALAND

MEAT INDUSTRY CONSOLIDATION, CHANGES EXPECTED

Auckland THE NEW ZEALAND HERALD in English 24 Feb 86 p 1

[Article: "Third Giant on Way in Meat Industry"]

[Text]

Changes sweeping the meat industry are expected to result in a third large consortium of meat companies being formed soon.

The new grouping, representing the direct interests farmers have in the meat industry, will pull most of the meat industry into the hands of a few groups.

Widespread rationalisation of meat plants throughout the country is expected to follow.

The lamb kill is expected to drop from 39 million last year to a more realistic level of 30 million in the next few years.

The Meat Board chairman, Mr Adam Begg, said from Balclutha last night that that meant six or more works closing.

Involving

An alternative was that some works might change to cutting and further processing and others might operate on a reduced scale, with fewer killing chains, he said.

The new farmers' grouping is reliably said to involve the Meat Board, through its new marketing company Freesia Meats, the farmer co-operative Auckland Farmers' Freezing Co-operative Ltd and the farmer-owned Alliance Freezing Co (Southland) Ltd.

The parties are not talking publicly yet.

But industry sources suggest that the Meat Board may get its desired entree into the processing industry by buying the Hellaby works — Northland, Shortland and Taumarunui — now owned by Canterbury Frozen Meat.

Launched

Mr Begg said last night that he was not a director of Freesia Meats. Its board had only had one meeting and he did not think it was "going to rush into bricks and mortar at the present time."

However, the new company does have access to \$150 million in the Meat Board reserve account.

And the board's chief executive, Mr Jim Brémner, said when the company was launched this month that the money would probably be used to buy into existing meat companies.

The predicted grouping would provide some counterbalance to other powerful influences moving in the meat industry — including Wattie Industries.

Approval

There is also the new company Weddel Crown Corporation Ltd, formed this month and combining the interests of Crown Corporation Ltd and a major part of the New Zealand meat interests of Vestey's Union International Plc of

Britain.

It will run the Westfield (Auckland), Tomoana (Hastings) and Aotearoa (Cambridge) works.

The Wattie influence comes through its 40 per cent ownership of Waitaki NZ Refrigerating Ltd, the company which has just bought the four Borthwick CWS meat processing plants in the North Island.

Wattie has approval to buy 51 per cent of Waitaki, which has eight works, including ones at Wairoa and Wanganui in the lower North Island.

In addition Wattie controls the Hawkes Bay Farmers' Meat Company, owning 33 per cent and holding a further 20 per cent in conjunction with Advanced Meats Ltd.

The Meat Workers' Union expects the Waitaki takeover to lead eventually to powerful attacks on meatworkers.

The union's West Coast branch chairman, Mr Roger Middlemass, said that Wattie now had complete or partial control of 18 meat plants in New Zealand.

Monopoly

He said that south of a line drawn from Gisborne to New Plymouth only two works catering for North Island lamb farmers — the works at Tomoana and Oringi — were not partially

or wholly controlled by Wattie.

Mr Begg said last night that his board was a little concerned that the southern half of the North Island could end up as a monopoly.

But the board thought rationalisation was needed in the meat industry and the Waitaki takeover could be helpful.

The managing director of Waitaki, Mr Athol Hutton, was quoted at the weekend as saying that none of the Borthwick works would close.

The managing director of Wattie, Mr Cliff Lyon, said last night that the Waitaki move on Borthwick opened up the potential for considerable rationalisation of the meat industry in the lower North Island and the East Coast.

"We have got to be sensitive to the farmers' predicament," he said.

"But it is very much in the long-term interests of farmers that the industry be rationalised."

How the rationalisation would be achieved was an exercise yet to be completed, he said. Really the aim was more efficiency.

Wattie has already said the meat industry has a great deal too much processing capacity. Its interest in meat is added-value meat products rather than simply slaughtering stock and exporting carcasses.

Mr Lyon said the Waitaki move was a step towards better co-ordination and more efficient marketing of New Zealand lamb products and byproducts overseas. The industry was better off having fewer groups doing the marketing.

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CSO: 4200/795

NEW ZEALAND

PAPER REPORTS ON FLIGHT OF EAST TIMORESE

Auckland NEW ZEALAND TRIBUNE in English 10 Feb 86 p 11

[Article by Jan Farr: "The People Were Just Like Us"]

[Text]

"WE want to raise public awareness about East Timor. Many people don't know about it. There is a media ban all over the world," Emilia Pires told *Tribune*. She and Isabel Barbos are two of the 15,000 expatriate Timorese who either fled the Indonesian invasion in 1975 or have since escaped from the torture and cruel repression of Indonesian rule.

The United Nations Secretary-General has had a mandate to find a solution for East Timor since 1982. In that time he has spoken only to Indonesia and to Portugal. Portugal granted East Timor independence in 1975 after 500 years of colonial rule and, after a visit from Henry Kissinger and US President Gerald Ford, Indonesia brutally invaded in December of that year, so neither country has any valid claim to East Timor.

The Timorese whose country it rightfully is, have not been included in talks. The UN Secretary-General has been given another 12 months to find a solution "... and so it is urgent for us to encourage him to do something about including the East Timorese," said Emilia.

Emilia was 14 at the time of the invasion. "About 1200 of us got out in a Norwegian cargo

ship—it took all of us to Australia. We didn't think we were going so far away or for so long. We locked our house and took only the keys."

Since then the news from their homeland has been through smuggled letters, the Portuguese language pirate radio coming from East Timor, or through those who have managed to leave.

To get relatives out of East Timor bribes of nearly \$12,000 are needed. Jakarta Airport has what is known as the Seven Gates to Freedom. At each airport gate the departee must pay bribes of at least \$1000.

Many of those left in East Timor have been resettled into concentration camps along the road. They are unable to live off the land and unable to leave their homes. The Portuguese language—the communicating language in

this country of 33 different languages—is forbidden and Indonesian is taught in schools. The quality of schooling has deteriorated sharply. Torture is common and well documented by Amnesty International.

Australia's Bob Hawke shocked his own Labour Party, the East Timorese and the Portuguese by completely breaking with Labour Party policy when Indonesia invaded. When he went on Indonesian television in 1985 and said that Indonesia had sovereignty over East Timor, Portugal withdrew its ambassador to Australia.

"Portugal neglected to develop the country, but didn't suppress it in the way the Indonesians are doing," said Emilia. She believes that if the Indonesians had taken a different approach, the East Timorese may have accepted their rule, "...but the Timorese could never now accept the Indonesians," she said.

With the rest of their people the women support the outlawed East Timorese political party, FRETILIN, now based in Lisbon and represented internationally by Jose Ramos Horta.

They told *Tribune* of a recent visit by the Australian Ambassador to Indonesia and an MP who were told as they passed the bitter, unsmiling East Timorese: "These East Timorese are a very different kind of people." However, Emilia said: "We have movies of before—just home-made movies—and people were just like us." ■

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CSO: 4200/795

PHILIPPINES

BERNAMA REPORTS LAUREL PRESS CONFERENCE ON SABAH

BK030749 Kuala Lumpur BERNAMA in English 0732 GMT 3 Mar 86

[Article by Kuah Guan Oo]

[Text] Manila, March 3 (BERNAMA)--Philippine Prime Minister Salvador Laurel Monday said his new government will face the claim for the East Malaysian Sabah State "frontally" and that the problem "will be resolved under this administration."

"That is one nagging problem which this administration will resolve once and for all... One way or the other," he told his first press conference as foreign minister here. Laurel is also the vice-president of the week-old Aquino government.

Former President Ferdinand Marcos had announced that his government would drop the claim when he attended the second Association of Southeast Asian Nations (ASEAN) summit in Kuala Lumpur in 1977. He had said that he would take the necessary "administrative step" to drop the claim.

However, he had not done so, leaving the Sabah claim an irritant in relations between the two countries.

The Philippines' claim to Sabah remains in the Baseline Act, an appendix to the Marcos constitution of 1972 which defines Sabah as part of Philippine territory. The Baseline Act was an amendment to the Marcos constitution, initiated by former Foreign Minister and MP Arturo Tolentino.

On ASEAN, Laurel said; "I believe in ASEAN and we therefore intend to strengthen the position of the Philippines vis-a-vis ASEAN.

"We intend to have closer relations with all ASEAN countries."

ASEAN groups Indonesia, Malaysia, Singapore, Brunei, the Philippines, and Thailand.

Laurel said he would "personally support" the idea of convening an ASEAN summit in Manila this year, but he would have to discuss it with President Aquino.

"ASEAN is important to the Philippines," he added.

He said his government will send its foreign minister to participate in the ASEAN foreign ministers' meeting in Bali in April which will be attended by U.S. President Ronald Reagan.

The Philippines, he said, would also attend the Tokyo summit in May although he has not received details of the meeting.

He also said that neither he nor President Corazon Aquino has any plan to visit the ASEAN capitals in the near future. He however, would consult the chief executive on the matter.

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PHILIPPINES

MALAYA CRITICIZES AQUINO CABINET APPOINTMENTS

HK120341 Quezon City ANG PAHAYAGANG MALAYA in English 1 Mar 86 p 4

[Editorial: "Cory Appointments"]

[Text] The appointments of President Corazon Aquino of the top men to help her run the government leave much to be desired. The conclusion people draw from the President's choices is that there is a dearth of good men in the Opposition camp.

For instance, observers are pointing to the three top posts now held by Vice President Salvador Laurel, who is simultaneously prime minister and foreign affairs minister. Ditto with Mr Ernesto Maceda who holds three important positions, those of the ministries of natural resources, energy, and the presidency of what could probably be the richest and only earning government corporation at this time, the Philippine National Oil Company.

There is no intention here to cast doubts on the competence of the two gentlemen nor denigrate their abilities. And most certainly, Mrs Aquino must have her reasons for these multiple appointments though many people are in the dark about them.

The retention of Central Bank Governor Jose Fernandez would have been more plausible if former Prime Minister Cesar Virat had also been retained, since the two gentlemen have been involved neck-deep in international loan negotiations to bail this country out of a run-away economic crisis. As it is, beliefs are being openly expressed in some quarters regarding the political considerations of Mr Fernandez' re-appointment.

Still and all, the new President is entitled to that benefit of the doubt the people would like to repose in her and attribute the highest degree of sincerity and good intentions for her decisions. For all we know, these appointments could be very temporary and once things really settled back to normal, she would name more people in a more or less permanent capacity to help the administration. When she does this, it is hoped the people power which made her ascension to the presidency possible will not be forgotten. The peasant farmers, laborers, and fishermen would know their interests are also hers if they are represented in the Cabinet.

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CSO: 4200/806

PHILIPPINES

ANTI-MARCOS COLUMNIST CITES 3 EFFICIENT AGENCIES

HK120339 Quezon City ANG PAHAYAGANG MALAYA in English 1 Mar 86 p 7

["Business Views" column by Jake Macasaet: "Three Exceptions"]

[Text] Many of the ministries of the Marcos government are said to be "cans of worms." Notable among them is the Ministry of Human Settlements [MHS] headed by Mrs Imelda R. Marcos but ran by her deputy, Jose Conrado Benitez. However, there are three agencies under this little empire of the former "steel butterfly" whose efficiency and integrity can compare with the best under any administration.

While Carmen "chitang" Guerrero Nakpil has never denied her unqualified support for former President Marcos and his wife, she has kept the operations of the Technology Resource Center [TRC] from the inroads of politics. That, obviously, is the reason why the overseas Economic Cooperation Fund (OECF) of Japan continues to support TRC. TRC accounts for more than 80 percent of the funding of prawn farms. And prawns have become one of the major sources of foreign exchange in the aquaculture sector. The loan defaults in TRC is an incredible 3 percent, a rate much lower than the entire banking system.

The other agency under the NHS that is performing creditably is the Guarantee Fund for Small and Medium Enterprises. What is not widely known is that this agency is only nominally supervised by the MHS. It is effectively run by a board which, while dominated in number by representatives of government, is operating like a private corporation.

The fund has laid the basis for the development of small agri-based enterprises and has proven to the local financial world that the development of agriculture cannot be subjected to market rates of interest.

Doubts have been publicly expressed about the Pag-Ibig fund [Housing Fund]. Again, little is known about how the fund was able to create a secondary market for home mortgages. This market is the only permanent solution to the mass housing problems of the country. Before the fund was created, low cost housing construction has always been bugged by the fact that the financial institutions have never been able to sell the loan or mortgage documents because there was no secondary market. The Pag-Ibig fund created a market which was

initially the National Home Mortgage Finance Corp. Th NHMFC has unloaded its huge inventory of mortgages to the financial institutions--the real and meaningful secondary home mortgage market.

Apart from these three agencies under the Ministry of Human Settlements, very few--if there are any at all--are free from corruption and politics. The new leadership must first examine their operations before moving for their abolition. Their only misfortune is being under the Human Settlement Ministry of Mrs Marcos.

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PHILIPPINES

MALAYA COLUMNIST SAYS 'HONEYMOON' WITH AQUINO OVER

HK130843 Quezon City ANG PAHAYAGANG MALAYA in English 3 Mar 86 pp 4, 6

["Now and Then" column by Jose J. Burgos Sr: "Master Plan of Action"]

[Excerpt] Pardon me, Madame President, but should you not call your Cabinet members and other advisers to an emergency meeting to map out a systematic and comprehensive master plan of action? From where I sit, I have noticed that all is chaos and confusion among the topmost echelons of your shining, brand-new administration. The Cabinet members appear to be running against each other, each doing his own thing, independent of the rest, each behaving like a powermad little Hitler.

You, as Chief Executive, must crack the whip. You must institute order and system in the running of the various affairs of the government. Otherwise, there will only be noise, confusion and bedlam.

We are not claiming that MALAYA is today's biggest newspaper, but in the last few days, we have been printing more and more copies every day in all three editions. The orders from newspaper dealers around the country keep on piling at an astronomical rate, and all the six private printing presses being utilized can no longer keep up with the phenomenal public demand. Help!

Now, as the president-publisher stated during the Julie Yap Daza talk show "Tell the People" at Channel 9 the other night, MALAYA's honeymoon with oppositionist Cory Aquino-Doy Laurel setup is over. The opposition, thru People Power, has been converted into the ruling administration. So, in keeping with the ideals for which this newspaper was established, MALAYA has started firing broadsides at the new President and her government, finding faults, exposing abuses, and taking them to task for falling short of the people's expectations. All in the spirit of constructive criticism, of course.

Defense Minister Juan Ponce Enrile, one of the two military heroes of the four-day revolution, should explain the mysterious release of Laoag City Mayor Rodolfo Farinas who was arrested last Thursday when soldiers discovered a cache of high-powered firearms from two of his three cars parked at Camp Crame.

The PHILIPPINE DAILY INQUIRER played up Farinas arrest as part of an alleged plot to assassinate the defense minister, General Fidel Ramos and President Cory Aquino. Even if the military authorities could not pin the Laoag mayor and his nine bodyguards to the assassination plot, he could have easily been charged with illegal possession of firearms. But the city mayor was inexplicably released, according to military sources, on orders of Enrile, and the high-powered firearms returned to him, after his possession of them was validated through the issuance of antedated Mr [expansion unknown]. The report I received is that Farinas, the No 1 Marcos fanatic in Laoag and in the entire Ilocos Norte was set free after he reportedly promised to help turn in other Marcos partisans to the New Armed Forces.

But this justification is quite fishy. It lacks all the elements that make up for veracity.

The Cory-Doy leaders in Laoag City are not happy that Farinas was released so easily and, worse the 16 deadly assault weapons were returned to him. The opposition leaders, who were terrorized and hunted by Farinas and his goons on election day, are deathly afraid the guns will be used on them. Under Marcos, they were relentlessly hounded; under Cory, will they continue to suffer the same fate?

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PHILIPPINES

LAUREL BACKS ASEAN STANCE ON CAMBODIA

BK090458 Manila PNA in English 0445 GMT 9 Mar 86

[Text] Manila, March 9 (PNA)--The new Philippine Government has called on Vietnam to "respond positively" to the ASEAN-backed proposal for a peaceful solution to the Kampuchean problem.

Foreign Minister Salvador Laurel said the proposal, aired by the Coalition Government of Democratic Kampuchea (CGDK), reflects the desire of ASEAN countries for regional peace and stability.

He said he issued the statement in behalf of ASEAN as chairman of the ASEAN Standing Committee.

The 17-year-old ASEAN groups the Philippines, Thailand, Indonesia, Malaysia, Singapore, and Brunei.

Laurel, also vice president, hailed the CGDK for reaffirming its readiness to negotiate with Vietnam the basic elements of a just and lasting settlement of the Kampuchean problem.

He likewise stressed the importance of national reconciliation of the Kampuchean people, free from external interference, as an essential element to such a settlement.

In his statement, Laurel said the ASEAN states welcome the CGDK proposal and fully share with its views for a durable solution to the Kampuchean problem.

"The ASEAN member states sincerely hope that Vietnam will respond positively to the CGDK's proposal," Laurel said.

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PHILIPPINES

MARCOS STILL BACKED BY SOME FILIPINOS IN HONG KONG

HK090614 Hong Kong SOUTH CHINA MORNING POST in English 9 Mar 86 p 7

[Text] Leaders of the Philippine community in Hong Kong estimate about 25 percent of them still support ex-President Ferdinand Marcos.

And many Filipinos are unsure what the future under the new government of Mrs Corazon Aquino will bring them.

Arturo Abina, who founded the Hong Kong Domestic Helpers' Union, said he would give the new government 6 months to prove itself.

Mr Abina said a quarter of the Filipinos in Hong Kong still support Marcos, a figure also quoted by Ms Esther Bangawayan, a spokesman for [words indistinct] people from five provinces in the Philippines.

One reason for this might be that about 80 percent of Filipinos in Hong Kong come from Marcos' home region of Ilocos.

Ilocos is a beautiful area, but has high unemployment. Many Ilocanos are prepared to pay extortionate agency fees to find themselves jobs abroad that bring in several times the wage they would earn in the Philippines.

Mr Abina said Filipinos here have been scared by rumours since the demise of Marcos. One story claimed Mrs Aquino would ask overseas workers to return to the Philippines.

But Mr Abina dismissed this as "most unlikely."

Filipinos working in Hong Kong also fear their taxes will be increased. But Mr Abina said: "I don't mind that so much if our money goes to the right people. We're eager to help our country, but we don't want the money to go into the pockets of people working for the government."

Mr Abina said workers' dealings with the Philippine Consulate in Hong Kong had "improved 200 times" since the new administration took power in Manila. He said staff have been treating Filipinos more courteously.

However, Unifil, an umbrella organisation covering 13 Filipino groups in Hong Kong, has filed a demand with the Manila government asking for a change of consulate staff in Hong Kong.

The officers at the consulate have formally offered their resignations, as is normal after a change of government.

Imelda Laguindon, president of the Association of Concerned Filipinos, said: "People at the consulate are rude and treat domestic helpers badly."

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CSO: 4200/796

PHILIPPINES

MEDIA ALLEGE LACK OF ACCESS TO AQUINO

Foreign Media Complaints

HK100756 Hong Kong AFP in English 0726 GMT 10 Mar 86

[Text] Manila, March 10 (AFP)--The hundreds of foreign journalists, most of them American, who poured into the Philippines to cover the presidential poll that turned into a revolution are finding that covering an administration is not the same as covering the opposition.

Complaints are numerous, but so far to no avail.

"When you needed us, you used us," an American television cameraman argued Monday when barred from covering President Corazon Aquino's first meeting with Australian Foreign Minister Bill Hayden.

"This is not fair, only local press have been allowed in, this is the thanks we get."

Palace press staff and security guards were unmoved, and gave the same treatment to Australian journalists travelling with their foreign minister, barring them even from taking shots of Mr Hayden looking at the looted rooms of the palace from which then-President Ferdinand Marcos made his escape.

The local press have also had complaints. The strongly anti-Marcos PHILIPPINES INQUIRER declaring on its front page over the weekend that it would not carry any more photographs of Mrs Aquino in the palace guest house because they had to "beg" them from foreign wire services.

Monday foreign wire services were no luckier than the rest, with all but one who palace staff said "sneaked in" having to settle for pictures of Mr Hayden alone after his meeting.

Media officials, many of them amateur volunteers, are pleading for time to reorganize.

Rene Saguisag, the human rights lawyer turned presidential spokesman, has taken much of the burden of the press from an information minister preoccupied

with trying to track down equipment and funds from the old government TV stations.

"It's chaotic here," he said. "We don't even know where the telephones are," he said apologetically waving at the green carpeted rooms of the guest house, which will be Mrs Aquino's headquarters.

The main complaint of the volunteers who man the presidential press conference is simply, "there are just too many of you."

But for journalists and cameramen who spent four sleepless days and nights to bring the civilian backed military revolt here last month alive for the world, the taste of the aftermath is bitter.

Manila Newspapers Complain

HK080734 Hong Kong AFP in English 0716 GMT 8 Mar 86

[Text] Manila, March 8 (AFP)--President Corazon Aquino and her media bureau came under fire in the local press Saturday for allegedly favouring foreign correspondents at the expense of Filipino journalists.

Both the daily INQUIRER and the MALAYA newspapers, previously strongly opposed to deposed President Ferdinand Marcos, complained that local journalists were being barred from events that foreign newsmen were allowed to cover.

The INQUIRER Saturday complained that local photographers had not been allowed to attend the swearing-in Friday of new cabinet ministers by Mrs Aquino.

In a boxed front-page comment signed "the editors," the INQUIRER said that "for some unexplained reason" Filipino press photographers had been barred from covering official events inside the presidential palace complex.

They had been left to "beg" for pictures from wire services, and had decided not to use pictures from the palace not taken by the newspaper's own photographers.

A cartoon inside the newspaper showed two Filipino photographers standing disconsolately outside closed palace gates bearing a sign "only foreign press allowed," with the caption "I thought Marcos left already."

The MALAYA's criticisms were more sweeping, complaining of confusion at Mrs Aquino's media bureau, with no clear idea of who will be in charge, or who decides which newsmen should be allowed to cover what events.

It noted that Mrs Aquino had given exclusive interviews to foreign news organisations, none to local media, and that foreign newsmen seemed able to enter the press room at her temporary headquarters at will, while others were barred.

The author of the article, journalist Larry Sipin, complained that he had been told "not to expect special treatment" at the press room.

"It is not special treatment we ask. Neither do we feel Mrs Aquino owes us anything. It was the people who brought her to power, not us.

"But it was persevering local newsmen who reported on that people power and they deserve some measure of decency."

During Mrs Aquino's campaign for the February 7 presidential election, other Manila newspapers gave little coverage to her activities, and it was largely MALAYA and the INQUIRER which provided her access to the local media, observers said here.

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CSO: 4200/796

PHILIPPINES

PROSPECTS FOR MUSLIM AUTONOMY TALKS VIEWED

HK101158 Hong Kong AFP in English 1128 GMT 10 Mar 86

[Text] Manila, March 10 (AFP)--Hopes seemed high on all sides for a start, perhaps this week, to talks between the new Philippine Government and Moslem leaders seeking regional autonomy.

(A three-member delegation of the Moro National Liberation Front (MNLF) is to leave Singapore for Manila Tuesday to lay the groundwork for the talks, M.Y. Abbas, political and foreign affairs chairman of the MNLF faction headed by Commander Dimas Pundato, told AGENCE FRANCE-PRESSE in Singapore Monday.

(Mr Abbas added in a telephone interview from Kuala Lumpur that he, Cmdr Pundato and five other MNLF leaders would travel to Manila on Friday for substantive talks on "meaningful autonomy" for the predominantly Moslem 13 provinces of the southern Philippines.)

Philippine Defence Minister Juan Ponce Enrile's special envoy Colonel Hernani Figueroa told AFP on Thursday he had met with Cmdr Pundato and Mr Abbas in Kuala Lumpur and was "optimistic" that they would travel to Manila.

(Mr Abbas on Monday also expressed optimism about the talks, saying, "from all indications, I think they are sincere, and we are sincere."

(But if for any reason the talks failed, he said, "I will remain in the country and fight it out politically. It is a new government."

(The talks, he stressed, must be based on the December 1976 Tripoli Agreement on autonomy for the south under which only foreign affairs and national defense would remain in the hands of the Manila government.)

The Tripoli Agreement was forged between the MNLF and ousted President Ferdinand Marcos when a bloody campaign for independence in the south reached a stalemate, tying up almost half the Philippine Army and leaving more than one million refugees in camps.

The MNLF signed the accord under Arab pressure, but implementation of the agreement collapsed, with the Moslems accusing Mr Marcos of bad faith,

deepening factionalism within the MNLF, and renewed calls for a completely separate state.

Now, with Mrs Aquino apparently sincere, the MNLF factions appear to be trying to beat one another to the negotiating table.

Nur Misuari, whose Tripoli-based faction claims to have wide international support has also said he is considering returning to the Philippines for talks with President Corazon Aquino.

(In Singapore, Mr Abbas said Monday his delegation would include Commander Julius Amer, vice-chief of staff of the Bangsa Moro army and a former ally of Nur Misuari, who Mr Abbas said is now isolated, having been deserted by his key aides.

(The preliminary delegation members were identified as Napis Bidin, MNLF secretary-general, Abdullah Sangcopan, also known as Commander Diego, chairman of the Lanao del Norte Revolutionary Committee, and Commander Mohamad Farook Hassan, chairman of the South Cotabato Revolutionary Committee.

(They are to be accompanied by Col Hernani Figueroa, who carried Manila's official invitation to the MNLF leaders, Mr Abbas said.)

However, much remains uncertain as the negotiations get underway, including how many of the estimated 30,000 MNLF troops claimed under arms owe their allegiance to the faction leaders.

Mr Abbas' brother, Sultan Firdhausi Abbas, also said many Moslems are alarmed at the total absence of Moslem appointees in the Aquino Cabinet and her close ties with the Christian church.

He added that he is afraid the communist New People's Army, which is taking a more wary approach to Mrs Aquino's offer of negotiations, may try to sabotage any talks between the government and the Moslems which they fear could free up the "whole Philippines Armed Forces" to attack the communists.

Moreover, terms of the autonomy agreement, despite the provisions of the Tripoli accord, are far from clear, and negotiations are expected to be drawn out and possibly marred by further leadership struggles within the MNLF itself.

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CSO: 4200/796

PHILIPPINES

NUR MISAUARI INSISTENT ON MUSLIM INDEPENDENCE

HK120539 Hong Kong AFP in English 0525 GMT 12 Mar 86

[Text] Manila, 12 Mar (AFP)--Libya-based Filipino Moslem rebel chief Nur Misuari still insists on independence for his people and is awaiting the first moves of President Corazon Aquino on the issue before entering into any talks with her new government, a spokesman said here.

The spokesman of Mr Misuari, who is chairman of the Moro National Liberation Front (MNLF), denounced in an interview here Tuesday forthcoming negotiations between the government and an MNLF faction favoring political autonomy for the country's Moslem minority. The spokesman is a ranking MNLF official who used the alias Amir Hassan. He described himself as director of the MNLF Institute on Policy Studies, and aides who were with him in the interview with AGENCE FRANCE-PRESSE at a restaurant here addressed him as "director."

"As far as we are concerned, our goal is still for self-determination and independence," said Mr Hassan, 33, denying a former Misuari aide's claim that the MNLF chief was prepared to return from exile if the new government guaranteed political autonomy for Moslems. Mr Hassan said he talked with Mr Misuari recently on the issue.

Mrs Aquino had pledged in her campaign for the 7 February presidential election to enter into talks leading to Moslem autonomy in southern Philippines. Popular outrage over the poll frauds led to the downfall of strongman Ferdinand Marcos 25 February.

Defense Minister Juan Ponce Enrile, whose mutiny against Mr Marcos helped install Mrs Aquino in power, has initiated negotiations with an MNLF faction that has dropped separatism in favor of autonomy for 13 Moslem-dominated provinces, mostly in Mindanao Island. The faction's leaders, Diamas Pundato and Macapanton Abbas, are scheduled to arrive here Saturday with a military official sent by Minister Enrile to bring them home from exile in Malaysia.

A third MNLF faction led by former MNLF Vice Chairman Hashim Salamat, who is also based abroad, has also opted for autonomy. Sources said all three factions claim a total armed strength of 40,000.

The pro-autonomy factions are pressing for the full implementation of a 1976 Tripoli ceasefire agreement between the Marcos government and the MNLF, which provides for autonomy of Moslem regions except in national defense and foreign affairs. Mr Hassan said in the interview that the agreement was vague and needed to be changed with a more detailed one in MNLF-government talks that should be mediated by the Organization of Islamic Conferences (OIC).

The MNLF and the Marcos government accused each other of violating the terms of the agreement. Hostilities resumed in the late 1970's but never reached the massive scale of the mid-1970's, when most of the conservatively estimated 60,000 to 100,000 fatalities died in semi-conventional warfare.

Mr Hassan said the Misauri faction had decided to "wait and see" after Mrs Aquino's victory before considering any talks with her government. He expressed wariness over the strong influence of the Roman Catholic Church, the military and the elite in the government of Mrs Aquino, who comes from a wealthy landowning family. There are at least five million Moslems out of a predominantly Roman Catholic population of more than 54 million in the Philippines.

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CSO: 4200/806

PHILIPPINES

SALAPUDDIN: ONLY MNLF HQ CAN NEGOTIATE PEACE

HK140132 Manila PHILIPPINE DAILY INQUIRER in English 12 Mar 86 p 17

[Article by Mario O. Feliciano Jr.]

[Text] Zamboanga City--The Mindanao conflict can only be resolved through direct peace negotiation by the new government with the Moro National Liberation Front (MNLF) at the Islamic Conference in the Middle East.

This is the firm stand of the MNLF Central Committee in Jiddah, Saudi Arabia, according to Regional Executive Council Member Gerry Salapuddin, erstwhile MNLF Revolutionary Chairman in Basilan Province, who earlier received a long distance call from MNLF Secretary General Abdulbaki Abubakar, official spokesman of MNLF Chairman Nur Misuari.

Salapuddin said that any move within the MNLF ranks in the country to negotiate with the new government for the solution of the Muslim insurgency in Mindanao will not succeed, unless such a peace negotiation will be coursed directly to the Islamic Conference where Muslim countries give due recognition to any peace accord entered by a certain government with its Muslim rebel movement.

However, any attempt by their splinter groups to reach an agreement with the new-government for any concession or consideration is not being discouraged, he said.

At the same time, Salapuddin mentioned the discontentment of many Muslims in Southern Philippines for alleged oppression and exploitation of their homelands by some powerful and influential groups for many long years and for this reason alone the Muslim insurgency in Mindanao will never cease.

He also called on the new administration to take into serious consideration of the many appointments to public offices in the government, especially in the autonomous government of the two regions IX and XII. He said that only legitimate MNLF members should be given preference to fill up positions in the autonomous government within the context of the Tripoli Agreement.

The regional executive council member also lauded the implementation of the firearm ban and the dismantle of private armies by the Ministry of National Defense.

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CSO: 4200/806

PHILIPPINES

TWO 'ALMOST-FORGOTTEN' EXILES RETURN FROM PRC

HK140301 Hong Kong AFP in English 0256 GMT 14 Mar 86

[By Kate Webb]

[Text] Manila, 14 Mar (AFP)--As top political prisoners were freed and formed anti-Marcos campaigners returned from America to the glare of TV lights this month, two almost-forgotten men in their mid-30's slipped in through Manila airport.

Their names were Ericson Baculinao and Chito Sta. Romana, who had left the Philippines in August 1971 on a three week tour of China. Then student activists, they had no idea that the three weeks would stretch into 15 years.

The Vietnam War was still raging and the young activists had taken to the streets in one of the Philippines' greatest sports, demonstration.

In Manila a grenade explosion on the speakers' platform of a Liberal Party rally left carnage--nine dead and 21 injured.

President Ferdinand Marcos--not the Liberals--blamed activists, and of the 15 students on the China trip, five found their names on a blacklist. The other three were Rey Tiquia, Jimmy Flor Cruz and Grace Punongbayan, sole girl.

Friends wrote: Don't come back, and the five decided to take their advice.

Shortly afterwards, the writ of habeus corpus was suspended, and in 1972 Mr Marcos declared martial law.

Mr Baculinao, when he left was 20 and had embarked as a freshman on a law degree after finishing a political science course at the University of the Philippines. His young wife was in Manila, pregnant with their first child.

The weeks stretched into months and years. They learned Chinese, took university courses, did translation work for the Chinese Government, got used to the bitter winters, and watched the political situation in the Philippines.

Occasionally there were feelers from the Marcos family--"All that's needed is a letter, come home and join the government."

None of them did.

Their passports expired, and one by one they started trickling off. Rey Tiquia married and went to practice acupuncture in Australia. Jimmy Flor Cruz found a job with TIME magazine, Grace Punongbayan went to Europe.

Sitting in a Manila coffee shop Thursday, Mr Baculinao said he kept on travelling, getting to know China, turning down the feelers, working on his translations and eventually landing a job with the U.S. NBC Television Network in Beijing.

He would leave his two-room, second floor apartment each morning to job, return to work on the translations, put the afternoons in at the NBC office, eat in his apartment house canteen, play basketball Sundays.

Mr. Sta Romana married. His own wife in the Philippines remarried, the daughter he had never seen grew up.

In the United States, he heard, the "steak commandos" led by Raul Manglapus were planning and organizing the Western exiles into a front against Mr Marcos. But he heard it by radio. Mr Mangalapus has since returned and Mrs Aquino has released large numbers of top political prisoners.

"The first two years were the worst," in China, he says now, "then I got used to the life style, and China started changing to what it is now, where you can say anything you like," said Mr Baculinao, now 34.

As soon as a civilian-backed military "people's revolution" succeeded last month, ousting Mr Marcos, who fled to Hawaii, he was at the airlines office, equipped with a false passport.

Then at 10 o'clock on a below-zero Beijing winter's morning of March 2, as Filipinos were pouring into a downtown park for a massive thanksgiving rally, he handed his down jacket to a friend who might need it and boarded a Philippine Air Lines flight for Manila.

He and Mr Sta. Romana were met by a handful of relatives at the airport, joking that their haste had cheated them out of a rally size welcome by old friends.

Now, after getting a stomach ache from the long-missed Filipino food, unlearning how to eat with chop sticks, remeeting friends and getting to know his daughter, he says he is trying to get to know the Philippines again.

"Now just going into a supermarket is difficult. There are so many choices, life here has so many choices. Everything in Beijing is simpler, the pace of life there is slower.

How to pick up his life now? He says he has yet to decide--maybe teach, maybe use his China knowledge, possibly for the Foreign Ministry.

But one thing he does know: "I will live in the Philippines, there's a lot to be done here, this is my country."

PHILIPPINES

MANILA PC REORGANIZED, APPOINTMENTS MADE

HK121553 Manila TIMES JOURNAL in English 12 Mar 86 pp 1, 6

[Text] The PC [Philippine Constabulary] Metropolitan Command (METROCOM) was formally dissolved yesterday by Brig Gen Renato S de Villa, acting PC-INP [Integrated National Police] chief and in its place created the PC-INP Capital Regional Command.

De Villa gave Brig Gen Ramon Montano, acting METROCOM chief, a free hand in organizing the new unit, which was created to take over the METROCOM's functions and responsibilities.

Montano was earlier designated acting PC-METROCOM chief and acting commander of the Metropolitan Police Force last 26 February by Armed Forces Chief of Staff Gen Fidel V. Ramos to replace Maj Gen Prospero Olivas.

Immediately upon assuming command of the unit yesterday, Montano revamped his staff and named the following:

Col Remeo Zulueta, deputy commander; Col Emiliano Templo, chief of staff; Lt Col Leonardo Orig, personnel chief; Lt Col Rex Piad, intelligence chief and chief of intelligence security group; Lt Col Edgar Aglipay, operations chief; Maj Gerardo Hilomen, logistics chief; Col Reyaldo Dino, plans chief; Lt Col Domingo Zacarias, comptroller; and Maj Cesar Yulo, commander of the reaction strike force (RSF).

Montano also named the following as sector commanders, Lt Col Vicente Raval Jr (Southern), Lt Col Danilo Flores (Northern), Lt Col Hercules Cataluna (Eastern) and Lt Col Rolando Garcia (Western).

The PC-METROCOM was created in 1967 as a special unit to check the rising incidence of crimes in the Greater Manila area.

The command started with about 300 officers and enlisted men.

It was then equipped with the few mobile cars, some jeeps, and a minimum of signal communication equipment, and operated as a special task force in the GMA.

On 16 February 1968, Executive Order 120 expanded the PC-METROCOM to include attachments of personnel from other units of the armed forces and its strength grew to 1,700 officers and men.

With the attachment of other military personnel from other AFP [Armed Forces of the Philippines] units, GHQ-AFP took over administrative and operational control of the command.

But on 1 July 1970, METROCOM control and supervision reverted to the PC chief.

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CSO: 4200/806

PHILIPPINES

MILITARY SAYS WESTERN MINDANAO FREE OF LOYALISTS

HK121601 Manila TIMES JOURNAL in English 12 Mar 86 p 3

[Article by Manny Jaldon]

[Text] The unity of the Armed Forces of the Philippines in Western Mindanao is unquestionable and was proven in the maintenance of peace and order even during those fateful days in February when the old order gave way to the new, Southern Command Chief Brig Gen Jose P. Magno, Jr said recently.

Magno said he has assured AFP [Armed Forces of the Philippines] Chief of Staff Gen Fidel V. Ramos that no loyalist groups of the past administration are found in Region 9 and that all military commanders have renewed their pledge of allegiance to the new republic.

Magno has gone to various places under the jurisdiction of his command explaining to the soldiers the challenges of transition facing the nation and calling for unity.

Magno was in Jolo, Sulu this week as guest of honor during the turnover of command of the 1st Infantry (Tabak) Division from Brig Gen Mariano Miranda to Brig Gen Rodolfo Tolentino.

While there, Magno met with Sulu Governor Tupay Loong, mayors, the religious sector and other military commanders in a short dialog where he bared the need for continued cooperation to achieve the aims of reconciliation and unity.

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CSO: 4200/806

PHILIPPINES

MANILA-BASED TROOPS DEPLOYED TO FIGHT NPA

BK050700 Manila PNA in English 0651 GMT 5 Mar 86

[Excerpts] Manila, March 5 (PNA)--Military authorities had deployed an army battalion in the Bicol region following last Monday's ambush-killing of 12 policemen and five civilians.

Military spokesman Col Luis San Andres said the battalion is composed of 26 officers and 523 troops trained in counter-insurgency operations.

He said the battalion was pulled out from Metro Manila where there had been a heavy concentration of troops following a military revolt last February 22.

San Andres said armed forces chief Gen Fidel V. Ramos had ordered the deployment of troops from Metro Manila to the countryside to fight the rebels.

Before the rebellion, San Andres said, deposed President Ferdinand Marcos had ordered the movement of troops to Metro Manila for undisclosed reasons.

Monday's ambush was staged by the rebels while the victims were on board a heavy duty truck.

The incident was the first launched by the outlawed communist New People's Army since President Corazon Aquino took her oath of office last February 25.

Aquino had already released some 400 political prisoners, including those tagged by the military as hardcore communist leaders and followers.

But the United States Government and the military reportedly opposed freeing Sison and Buscayno because it would give them an opportunity to push through their communist movement in the Philippines.

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CSO: 4200/796

BINONDO CB OPERATIONS, GOVERNMENT CONNECTION DETAILED

HK120933 Quezon City ANG PAHAYAGANG MALAYA in English 5 Mar 86 p 7

["Business Views" Column by Jake Macasaet: "Binondo CB Must Stay"]

[Text] Asked what the Aquino government proposes to do with the alternative source of foreign exchange called the Binondo Central Bank [CB], Finance Minister Jaime V. Ongpin simply replied that he had heard about it but he is not familiar with the details of its operations. That is the understatement of the year. As a businessman who had been keenly watching fiscal and monetary developments under the discredited Marcos government, Ongpin knew what the Binondo CB is all about. His silence about it might only indicate that he does not have objections.

Jaime has bitterly criticized his elder brother Roberto, former minister of trade and industry and member of the Monetary Board, for bailing out collapsed companies of the Marcos cronies. But he has remained silent on the patently illegal operation of the Binondo CB. Which means that the younger Ongpin might have accepted the practical necessity of the government being involved in foreign currency smuggling.

Obviously, the Monetary Board headed by CB Governor Jose B. Fernandez tacitly supports the illegal operation. For how can Monetary Board member Robert V. Ongpin be running the operation almost three years without CB consent? The brothers Roberto and Jaime Ongpin are close friends of Fernandez as far all their respective ethics are concerned.

What many people do not know is that the objection to the Binondo CB comes mainly from the direction of a large group of Chinese dollar smugglers. They lost a multi-million business when Roberto Ongpin organized them into a pool and required them to sell their daily purchases only to qualified importers with a relatively small mark-up of around 50 centavos to the dollar. If the activities of the Chinese currency smugglers had not been contained, the dollar may now cost as much as P35-P40 in the blackmarket.

The original members of the Binondo pool were Go Poc, John Lim, alias Sio Lim and his two sons, Thomas and Alex; Peter Uy and his father Uy Pai Lo, alias Pilay and the husband and wife team of Florencio and Asuncion Co, known to enjoy the protection of Fabian C. Ver.

When Roberto V. Ongpin was named to the Monetary Board, he caused the arrest of at least a dozen or so known currency smugglers--all Chinese. But the smuggling went on. He had a few more arrested, yet nobody was discouraged from the illegal trade. That was the time when he applied the old adage: "If you can't lick 'em, you join 'em." And the pool was organized.

The members of the so-called "magic five" cover the entire country. They are told every morning the rate for the day. They used to meet once a week in a place designated by Ongpin. The operation required iron fists. That is why Ongpin's personal safety had to be secured by a dozen heavily armed bodyguards. Enjoying the full confidence of Marcos, Ongpin had signed PDAs [preventive detention act] that he was authorized to serve on any erring member of the pool or anybody operating outside the pool. The PDAs were served very sparingly.

As repeatedly explained in this space, the purchases of the "magic five" were remitted daily to Hong Kong via the jet acquired by the National Development Co from Rodolfo Cuenca, a Marcos crony. The dollars were openly traded the following day at Rms 516 and 517 of the Equitable Bank Bldg on Juan Luna in Binondo.

Unless the Aquino government can find a more effective way of curtailing dollar smuggling, the Binondo CB must continue operating.

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CSO: 4200/806

PHILIPPINES

CENTRAL BANK INVESTIGATING ISSUE OF TREASURY WARRANTS

BK050359 Manila PNA in English 0339 GMT 5 Mar 86

[Text] Manila, March 5 (PNA)--The Central Bank (CB) is investigating the massive issuance of treasury warrants by the deposed Marcos government for the February 7 elections without its prior approval. "We are in the process of determining who issued them and in what amounts they were issued," CB Governor Jose B. Fernandez said. Treasury warrants are checks issued by the government through the national treasury.

Fernandez said that these treasury warrants were issued by the government without the Central Bank or getting its approval. The warrants, considered the medium by which the government spends money, were apparently issued by the government after the CB turned down two requests made by the government for additional money from the CB amounting to 2.8 billion pesos (140 million U.S. dollars).

Fernandez said that sometime in December last year, the Marcos government requested a little over 1 billion pesos (50 million U.S. dollars) in advances from the CB which was approved. The request was granted in accordance with charter of the Central Bank which permits the government in the event it runs out of money to go to the CB and withdraw any amount not exceeding 20 percent of the average revenues of the government for the previous 3 years. Fernandez said that the government made additional requests but were, however, turned down by the CB.

Apparently in need of funds, the government issued treasury warrants. Fernandez admitted that the CB was not in a position to prevent the issuance of such warrants. He said the government could do this because the "process by which funds are spent by the government permits them to issue treasury warrants without consulting the Central Bank or getting its approval."

Fernandez said that although the Central Bank through the banking system was in a situation where it could honor or dishonor the warrants, it chose to honor them because of the serious repercussions involved. He said that a dishonor of any warrant would have caused the collapse of the credit standing of the government in this country.

According to Fernandez, to prevent such unwarranted issuance of treasury warrants in the future, there should be legislation to cover it.

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CSO: 4200/796

PHILIPPINES

BANKS' RESERVE DEFICIENCY REACHES RECORD HIGH

HK121503 Manila BUSINESS DAY in English 12 Mar 86 p 2

[Text] Reserves of the commercial banking system in January fell short of the required level by a record P4,213.1 million, as against a P759.4-million excess recorded in January 1985, according to Central Bank [CB] figures.

The reserve deficiency had been above the P3-billion mark since October last year. It was recorded at P3.65 billion in October, P3.19 billion in November and P3.20 billion in December.

CB Governor Jose B. Fernandez Jr has explained that reserve deficiencies are not an industry-wide problem and afflicts only a number of banks.

As of last January, banks were required to deposit with the CB 23 percent of their demand deposits, savings deposits and time deposits with maturities of less than 730 days; 6 percent of time deposits with maturities of more than 730 days; 5 percent of negotiable certificates of time deposits; and 10 percent of foreign deposits.

Based on these rates, banks must set aside P19,615.6 million of their total deposits of P102,448.9 million as received. In January 1985, they were required to keep P18,517.9 million out of the total deposits of P98,847.0 million.

The available reserves in January were only 20.10 percent of the total deposits, down from P19,277.3 million in January 1985 to P15,402.5 million.

Available reserves include banks' dues from the CB, cash on hand, investment in government bonds, and dues from foreign banks.

The bigger deficiency resulted from a rise in the required level as well as from a decrease in available reserves.

Required and Available Reserves Against Deposit Liabilities
of Commercial Banks
(in million pesos)

<u>Period</u>	<u>Deposit liabilities</u>	<u>Required reserves</u>	<u>Available reserves</u>	<u>Excess (deficiency)</u>
1986				
January	102,448.9	19,615.6	15,402.5	(4,213.1)
1985				
January	98,847.0	18,517.9	19,277.3	759.4
February	98,948.4	18,580.4	18,609.5	29.1
March	96,311.1	18,188.7	15,235.7	(2,953.)
April	96,036.2	18,191.2	16,547.0	(1,644.2)
May	98,285.4	18,654.7	17,241.6	(1,413.1)
June	99,382.5	19,062.4	18,011.7	(1,050.7)
July	95,527.4	18,555.1	17,125.1	(1,430.0)
August	98,410.9	19,124.4	17,016.6	(2,107.8)
September	102,119.5	19,026.2	17,741.8	(1,284.4)
October	99,645.8	18,644.0	14,994.7	(3,649.3)
November	100,211.8	18,808.1	15,613.8	(3,194.3)
December	107,893.7	20,332.4	17,127.0	(3,205.4)

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CSO: 4200/806

TOURISM INCOME ROSE OVER 38 PERCENT IN 1985

HK140128 Manila BUSINESS DAY in English 13 Mar 86 p 2

[Article by Geselle J. Militante]

[Text] Tourist arrivals decreased 5 percent last year but income from tourism rose surprisingly by 38.43 percent, from \$366.25 million in 1984 to \$507 million, the highest rate of increase in 10 years.

The Ministry of Tourism's planning services department could not reconcile the drop in arrivals, to the lowest level in eight years, with the sharp rise in revenues.

The Central Bank, from which the figures on tourist earnings came, also could not explain the jump in income.

Industry observers linked the revenue rise to the presidential elections held last month. They surmised that some of the dollars salted away abroad may have been brought back into the country in preparation for the polls and registered as tourism income to avoid detection in official figures.

Sources in the Tourism Ministry declined to comment on such speculation.

A source in the Planning Services Department said there was a change in the format of Central Bank questionnaire given to banks last year to determine accumulated tourism earnings for the year.

Another possible explanation is that the decline in the dollar blackmarket rate last year may have encouraged tourist establishments to turn in more dollars to banks.

The previous record in tourism income was for 1985, when the figure jumped 88.43 percent to \$109.63 million. The same year registered the highest rise in tourist arrivals in a 10-year period. Arrivals in 1975 numbered 502,211, up 22.45 percent over the previous year.

Tourist Receipts
1984 to 1985
(in million U.S. dollars)

	<u>1985</u>	<u>1984</u>
January	71.26	27.36
February	46.19	31.47
March	48.25	39.34
April	37.46	21.00
May	44.00	21.84
June	31.56	28.15
July	42.31	24.98
August	56.19	23.83
September	44.97	21.41
October	29.84	23.84
November	27.82	40.48
December	27.15	62.55
	<hr/>	<hr/>
Total	507	366.25

Source: Central Bank

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CSO: 4200/806

PHILIPPINES

PESO VALUE DECLINES 8.3 PERCENT FEB 86

HK131525 Manila BUSINESS DAY in English 13 Mar 86 p 2

["Economic Indicator"Column: "Peso Value Down by 8.3 Percent"]

[Text] The value of the peso in relation to the U.S. dollar declined 8.30 percent in February, from an average of P19.05 per dollar in January to P20.631 per dollar, according to reference rate data of the Central Bank.

The main reason for a peso depreciation is the deficit incurred in the country's balance of payments. Latest available data show the deficit for 1985 at \$26 million, compared to \$1.1 billion in 1984.

The peso also depreciated against other major currencies, such as the Swiss franc, Japanese yen, German mark, French franc, the Belgian franc, the Austrian schilling, Netherlands guilder, British pound, Canadian dollar, Singapore dollar. These currencies form part of the Philippines' international reserves.

Other acceptable currencies in the country that performed better than the peso include Australian dollar, Bahrain dinar, Malaysian dollar, Saudi Arabian royal, and Kuwait dinar.

Average Reference Exchange Rate
January and February 1986
(in pesos per unit of foreign currency)

<u>Currency</u>	<u>February</u>	<u>January</u>	<u>Percent change</u>
U.S. dollar*	20.631000	19.050304	8.30
Australian dollar **	14.449456	13.333413	8.37
Austrian schilling*	1.264319	1.111530	13.75
Bahrain dinar**	54.731281	50.525891	8.32
Belgian franc*	.433613	.381143	13.77
Canadian dollar*	14.693700	13.542796	8.50
Chinese renminbi***	6.416796	5.935599	8.11
Danish kroner	2.411438	2.130770	13.17
French franc*	2.897731	2.546013	13.81
Hong Kong dollar*	2.644881	2.440548	8.37
Indonesian rupiah	.018350	.016857	8.86
Iraq dinar	18.019231	16.649057	8.23
Italian lire	.013031	.011404	14.27
Japanese yen*	.112406	.095270	17.99
Kuwait dinar**	72.774350	65.875930	10.47
Malaysian dollar**	8.367513	7.795139	7.34
Netherlands guilder*	7.876781	6.932222	13.63
New Zealand dollar	11.040669	9.856430	12.01
Norwegian kroner	2.845919	2.524865	12.72
Saudi Arabian riyal**	5.651381	5.217922	8.31
Singapore dollar*	9.647275	8.942613	7.88
Spanish peseta	.139669	.123748	12.87
Swedish kroner	2.798900	2.511109	11.46
Swiss franc*	10.635763	9.227770	15.26
Taiwan dollar	.528100	.480017	10.02
Thailand baht	.782450	.725361	7.87
United Kingdom pound*	29.563188	27.201309	8.68
West German deutsche mark*	8.896794	7.811778	13.89

* Currencies that form part of the Philippines international reserves

** Other acceptable currencies

*** Beijing exchange rate (REUTERS)

Sources: Central Bank

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CSO: 4200/806

PHILIPPINES

BRIEFS

GOLD SMUGGLING BLACKMARKET--Natural Resources Minister Ernesto Maceda said there has been rampant gold smuggling to Sabah and blackmarketing of gold in Manila. He said about P224 million in gold is taken out of the Philippines every year. Maceda said most of the smuggled gold is produced by panners in the gold-rich mines of Davao del Norte. The extent of the smuggling out of the country was reported to Maceda by Chamber of Mines Chairman Juan de Ibazeta and Commerce Chamber President Henry Brimo. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 13 Mar 86] /8309

CANADA INCREASES AID--Canada announced an increase in its aid committed to the Philippines to \$5 million for three years from \$2 million for the past two years. The aid from the Canadian International Development Agency (CIDA) will fund a \$4.8-million, three-year program to support projects for improving living standards and employment opportunities of tenant farmers, squatters, landless rural workers, fishermen, urban poor, and cultural minorities, run by non-governmental organizations. The remaining \$200,000 will go to a United Nations International Cultural and Educational Fund (UNICEF) project to buy food for 50,000 children suffering from malnutrition. Canada's External Relations Minister Monique Vezina said her government "has decided to expand its aid program to the Philippines." "This \$5 million in assistance reflects our support for that new administration and confidence in the country's future," Vezina said. [Text] [Manila BUSINESS DAY in English 11 Mar 86 p 3] /8309

MANILA BULLETIN EDITORIAL ON NAME CHANGE--This newspaper has returned to its premartial law name of MANILA BULLETIN. In so doing, it reaffirms its dedication to the general welfare and to the ethics of journalism. Readers would have noted by now that this newspaper presents its views in all humility, never attacks other newspapers, and confines itself to the immense task of informing the public. With its coverage, it has been a reliable and high-level newspaper. [Editorial] [Text] [Manila MANILA BULLETIN in English 11 Mar 86 p 4] /8309

CSO: 4200/806

INTERNATIONAL RELATIONS, TRADE, AND AID

CPV GREETES INDIAN COMMUNIST PARTY CONGRESS

OW122116 Hanoi VNA in English 1459 GMT 12 Mar 86

[Text] Hanoi, VNA March 12--The Communist Party of Vietnam Central Committee today sent warm greetings and wishes of success to the 13th Congress of the Communist Party of India (CPI) currently held in Patna, Bihar State.

The message says:

"Over the past 60 years since it came into being, the CPI has joined other patriotic, democratic and progressive forces in India and gained great successes in a hard yet glorious fight for the interests of the nation, the working class and people of India as a whole. Today, in face of the interference and sabotage, your party is striving to make substantial contributions to safeguarding independence and freedom, and consolidating national unity and integrity for the happiness and prosperity of India, thus contributing to the struggle of the people in Asia and the world over for peace, (?national independence), democracy and social progress.

"The Communist Party and the people of Vietnam express their heartfelt gratitude to the CPI and the Indian peace, democratic and progressive forces for their enthusiastic support for the Vietnamese people's struggle for independence and freedom in the past as well as their present efforts in national construction and defence."

The message wishes the militant solidarity between the two parties and the friendship and cooperation between the two states constant consolidation and development.

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CSO: 4200/805

INTERNATIONAL RELATIONS, TRADE, AND AID

BRIEFS

SYRIAN COUNCIL PRESIDENT CONGRATULATED--Hanoi VNA March 12--Chairman of the National Assembly Nguyen Huu Tho today extended his congratulations to Muhammad al-Zoubi on his re-election as president of the People's Council of the Syrian Arab Republic. In his message, Chairman Nguyen Huu Tho wished the Syrian people new successes in defending national independence, building a prosperous Syria, and making active contributions to the common struggle of the Arab people and the people all over the world for peace, national independence, democracy and social progress. He also wished the militant solidarity, the friendly relations and cooperation between the two parliamentary organizations and the two peoples further consolidation and development. [Text] [Hanoi VNA in English 1506 GMT 12 Mar 86 OW] /6662

NATIONAL ASSEMBLY DELEGATION TO LAOS--Hanoi VNA March 12--A delegation of the Vietnamese National Assembly led by its chairman Nguyen Huu Tho will pay an official friendly visit to Laos soon at the invitation of the Lao People's Supreme Assembly. This comes as a communique released here today by the office of the National Assembly and the State Council. [Text] [Hanoi VNA in English 1511 GMT 12 Mar 86 OW] /6662

VO NGUYEN GIAP RECEIVES SOVIET SCHOLARS--Hanoi VNA 13 March--Vo Nguyen Giap, vice chairman of the Council of Ministers, has cordially received a delegation of the Institute of Oriental Studies under the USSR Academy of Sciences led by Prof. V.M. Sonsev, deputy director of the institute, which arrived here for the recent Vietnamese-Soviet linguistics seminar. Speaking to the guests the vice chairman valued highly the cooperation, friendship and the results of the seminar between the Vietnamese and Soviet linguists. The Soviet delegation promised to further promote the cooperation in the field of social sciences between the two countries. [Text] [Hanoi VNA in English 1556 GMT 13 Mar 86 OW] /6662

SOVIET ACADEMICIANS VISIT--Hanoi VNA March 13--A delegation of the Academy of Pedagogical Sciences of the Soviet Union led by its president M.I. Kondakov has paid a visit to Vietnam as guest of the Ministry of Education. While here, the Soviet guests were received yesterday by Vo Nguyen Giap, member of the Communist Party of Vietnam Central Committee and vice chairman of the Council of Ministers. On March 13, a program of cooperation for the 1986-90 period between the Soviet Academy and the Vietnam Institute of Pedagogical Sciences was signed by M.I. Kondakov and Pham Minh Hac, Vietnamese vice minister of education. [Text] [Hanoi VNA in English 1535 GMT 13 Mar 86 OW] /6662

USSR FUNDS SCHOOL--Hanoi VNA March 13--A ground-breaking ceremony was held in Ho Chi Minh City on Tuesday to start construction of a Soviet-funded technical teachers' school. The school is to train technical teachers and skilled workers for the mechanization of agricultural production in the Mekong Delta. The Soviet-assisted equipment includes 350 tons of engineering machines, worth 2 million roubles. Soviet Consul General in Ho Chi Minh City V.C. Ionaitic [spelling of name as received] was present on the occasion. [Text] [Hanoi VNA in English 0723 GMT 13 Mar 86 OW] /6662

FRG FILM GROUP--Hanoi, 7 Mar (VNA)--A TV film-making delegation of the Federal Republic of Germany-Vietnam Friendship Association led by Ms Kathryn Brawn, member of the Communist Party of the FRG, recently visited Ho Chi Minh City to make a documentary film about child victims of the post-Vietnam War period. During its stay in the city from 18 February to 3 March 1986, the delegation visited a rehabilitation centre, a centre for polio-affected orphans, the Children's Hospital No 2, and the Gynaeco-Obstetric Hospital in Ho Chi Minh City, and Tay Ninh Province. The delegation filmed real stories about the consequences caused by U.S. toxic chemicals to Vietnamese children. The delegation on this occasion presented 245 kilos of medicines as a gift from the FRG-Vietnam Friendship Association to the City Children's Hospital No 2 and the Gynaeco-Obstetric Hospital. [Text] [Hanoi VNA in English 0740 GMT 7 Mar 86 OW] /9599

SRV-USSR PUBLISHING COOPERATION AGREEMENT--Hanoi, 12 Mar (VNA)--An agreement on publishing cooperation between Vietnam and the Soviet Union for the period 1986-90 was signed in Hanoi yesterday afternoon. The signatories were Nguyen Trong Xuan, head of the publishing and newspaper department of the Vietnamese Ministry of Culture, and I. Milovalov, director of the Hanoi bureau of the NOVOSTI press agency. The signing was witnessed by Vu Khac Lien, deputy-minister of culture, Pham Thanh, director of the Su That (Truth) Publishing House, and Ali-zade Raouf, cultural counsellor, A. Vrant-chanu, second secretary of the Soviet Embassy in Vietnam. [Text] [Hanoi VNA in English 0732 GMT 12 Mar 86] /9599

SRV-MONGOLIAN FRIENDSHIP ASSOCIATION--Hanoi, 11 Mar (VNA)--The executive committee of the Vietnam-Mongolia Friendship Association held an enlarged meeting here today to review the association's work in the past year and work out a program of action for the coming period. The participants were informed of the achievements recorded by Mongolian people over the last year and of the further development of the friendship and cooperation between Vietnam and Mongolia especially between the two corresponding friendship associations. Measures to further strengthen these cooperative ties in the 1986-90 period were also discussed. [Text] [Hanoi VNA in English 0758 GMT 12 Mar 86] /9599

27TH CPSU CONGRESS SUCCESS GREETED--On the afternoon of 8 March, the party committee, the VFF committee, and the Vietnamese-Soviet Friendship Association of Song Be Province held a solemn meeting in Thu Dau Mot city to greet the success of the CPSU's 27th Congress. Speaking at the meeting, Comrade Nguyen Van Luong, secretary of provincial party committee, warmly greeted the glorious success of the CPSU's 27th Congress. He called on cadres, combatants, and people in the province to turn their elation at the success of the CPSU's 27th Congress into realistic revolutionary acts to accelerate production, strictly practice thrift, fulfill the state plan norms for the first quarter 1986, and complete all Vietnamese-Soviet cooperation projects satisfactorily by turning out more and better quality products for export to the Soviet Union. [Text] [Hanoi Domestic Service in Vietnamese 2300 GMT 10 Mar 86 BK] /6662

PARTY ACTIVITIES AND GOVERNMENT

VO VAN KIET ON LABOR SECTOR'S TASKS FOR 1986

BK131501 Hanoi NHAN DAN in Vietnamese 3 Mar 86 pp 1, 4

[Text] The labor sector recently held a conference in Hanoi to review and evaluate its activities in 1985 and to devise measures to implement its tasks for 1986. Comrade Vo Van Kiet, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers, attended and addressed the conference.

In 1985, the labor sector joined other sectors and various localities in striving to redistribute the labor force, link the labor force with land availability, expand branches of work and professions, find jobs for the working people, set up a number of new economic zones which now have good prospects, make initial rearrangement and rational use of the work force in various state organs and state-run economic units, and further improve the wage system in order to make it compatible with the new management system characterized by economic accounting and socialist business. So far, 359 districts and 39 towns (or 80 percent of the total districts and towns) in the country have gone ahead with carrying out district planning, emphasizing the distribution and use of the work force and linking the labor force with land potential and with other strengths of the localities concerned. A number of districts in various provinces and cities--such as Nghe Tinh, Thanh Hoa, Quang Nam-Danang, Phu Khanh, Haiphong, Minh Hai, Nghia Binh, Lam Dong, Ha Nam Ninh, Vinh Phu, and Hanoi--have done a good job in planning and using the work force on the basis of conducting investigations and surveys in order to resolve labor relations and economic problems in localities and to be more aware of the state of manpower--that is, surplus or shortage. This is to build, perfect, and develop the agricultural-industrial-fishery, agricultural-forestry-industrial, or agricultural-industry-forestry economic structure. Last year, the entire sector contributed to rearranging and redistributing a total of nearly 400,000 people in the country (including nearly 190,000 workers) and found jobs for 400,000 workers in various cities, with the number of workers in Hanoi, Ho Chi Minh City, and Haiphong who got jobs constituting 50 percent. Many measures designed to manage, use, and encourage laborers in various production, business, administrative, and support service units have also been exercised effectively. The new wage system has initially helped resolve in a reasonable way various problems involving contributions and benefits and problems involving relations between professions and production sectors.

Addressing the conference, Comrade Vo Van Kiet, on behalf of the party Central Committee and the government, warmly praised the achievements of the sector last year and pointed out a number of major objectives and specific tasks to be carried out in 1986 and the ensuing years in distributing and using the social labor force. Proceeding from a great requirement of the party and its economic development strategy, we must quickly create initial capital for socialist industrialization; 1986 must be the year in which we carry out a general readjustment and redistribution of the work force throughout society, link the work force with land potential, and ensure that all workers have jobs and that they work in a disciplined manner with high output and efficiency. It is necessary to do away with the situation in which the number of people not directly engaging in production and the number of unemployed people in society are still large. Land, branches and trades, and labor have yet to be exploited satisfactorily; and the strong points of each sector, each locality, and each territorial division have yet to be brought in to full play. It is very difficult and complex to rationally distribute and utilize labor on a society-wide scale, formulate a plan for comprehensive economic development, and foster and utilize the work force. The labor sector must adopt concrete, realistic, and flexible measures for resolving this matter on a truly scientific basis so as to get results. With appropriate and suitable systems and policies, any worker would develop his capacity to the fullest in service of socialism. The weaknesses observed last year stemmed from a bureaucratic workstyle that consists of issuing directives and guidelines on paper from on high, shunning difficult tasks, and staying far removed from the reality of life. In carrying out the new mechanism of management, the labor sector must pay the utmost attention to fostering, utilizing, and developing the most valuable asset--namely the work force--considering it the decisive factor that directly creates material wealth for society. The main orientations for effectively utilizing labor on a society-wide scale consist of thoroughly exploiting the strong potentials of land, forests, and the sea; expanding and developing the various branches and trades in municipalities and provincial capitals; recalculating labor norms; streamlining the apparatus; eliminating unnecessary intermediary links.... All this will create a firm basis for generating sufficient initial capital for national industrialization.

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CSO: 4209/385

PARTY ACTIVITIES AND GOVERNMENT

HOANG BICH SON, OTHERS ATTEND PEACE SEMINAR

OW140747 Hanoi VNA in English 0713 GMT 14 Mar 86

[Text] Hanoi, VNA, March 14--A peace seminar was jointly held here yesterday by the institute of sciences, the peace committee and the Hanoi committee for science and technology, in response to the international year of peace-1986.

It was attended by Prof. Dr. Nguyen Van Hieu, alternate member of the CPV CC and head of the sponsor institute; Hoang Bich Son, vice minister of foreign affairs and vice president of the Vietnam committee for the international year of peace; Do Xuan Oanh, secretary general of the Vietnam peace committee, and a large number of professors and scientists.

Prof. D. M. Hodgkin, fellow of the Royal Society of the United Kingdom, a Nobel Prize winner of biology and a peace militant, on a current visit to Vietnam, was also present.

The participants strongly condemned the U.S. nuclear arms race policy as brining mankind to the danger of a nuclear holocaust and expressed their full support for the Jan 15, 1986 statement by Soviet Party General Secretary M.S. Gorbachev, describing it as a vital contribution to preserving world peace and warding off the danger of a nuclear war.

They also issued a statement in support of the new Soviet peace initiative and vehemently demanding that the U.S. Administration put an immediate end to nuclear tests, abolish its program of outer space militarization, and seriously negotiate with the Soviet Union on disarmament and on the eventual elimination of all nuclear, chemical and weapons of mass destruction. [as received] The statement called on scientists in the United States and other countries to protest against the SDI program, prevent the arms race, contribute to reliable and friendly relations among nations, and use all scientific achievements for the sake of peace.

/6662

CSO: 4200/805

ECONOMIC PLANNING, TRADE, AND FINANCE

STRICTER MARKET CONTROL, PRICE STABILITY REPORTED

Hanoi NHAN DAN in Vietnamese 18 Nov 85 p 1

[Text] Da Nang has set up guidance committees at the municipal and ward levels, organized mobile teams made up of market management, public security, and taxation forces, and has energetically struggled against speculators and smugglers. Party committees at various echelons together with the administration, front, and mass organizations have launched an intensive and extensive educational campaign to inform cadres and people of the need for market management and have assigned cadres to directly guide the management of each category of goods in each housing cluster and bloc. From early October to mid-November 1985, the market-control force has uncovered 1,200 cases of dishonest trading, tax evasion, counterfeiting, speculation, and price hikes; it has imposed fines and confiscated nearly 90,000 dong worth of merchandise. The city has caught and punished many cases of cigarette counterfeiting and some cases of medicine counterfeiting.

In Hoa Vang District, industrial and commercial tax stations and the market-management unit have earnestly fought against smugglers, counterfeiters, and moonshiners; they have uncovered and prosecuted 771 cases including 245 of price hikes, 400 of illegal trading, and 36 of smuggling and imposed fines totaling 26,640 dong.

The commercial, tax, and public security sectors have coordinated to reorganize the market and to manage commercial activities in Nam Dinh City markets. The state commercial service and marketing cooperatives have not only intensified their efforts to get hold of goods in order to have enough staple commodities for normal sale but have also opened 200 more selling points in concentrated areas to make it convenient for consumers to buy goods. Shops and sales counters have set contractual norms and encouraged salesclerks to extend their daily working hours and to bring goods for sale to public agencies and enterprises. Two large markets called My Tho and Cho Rong and eight others have arranged business activities of private commercial households according to the kinds of merchandise they are dealing in. Many private commercial households in Cho Rong market have joined the state in repairing and renovating their shops with the objective of promoting socialist commercial civilization. A few small markets which formerly took place on sidewalks or encroached on roads have been ordered to meet in designated areas or disbanded if deemed unnecessary. The city has also assigned the

management of small markets to the ward authorities in accordance with the decentralization policy.

Concerning staple commodities such as grain and pork, the state commercial sector and marketing cooperatives have tried to control the market while the municipal authorities have organized small traders into pork-dealing cooperative teams. At first, there was only 1 cooperative team composed of 26 private commercial households in My Tho market. At present, in other markets, there are 87 trading cooperative teams, including 127 private commercial households subject to state regulations on prices, weighing, sales counters, and hygienic conditions of food. Beside expanding the grain sale network by creating 52 selling places, the city has closely guided the stabilization of grain prices and firmly dealt with grain dealers. At the same time, based on experiences drawn from the Ly Thuong Kiet market, others have reserved a special section for peasants who have fulfilled their obligation to the state to sell their surplus products without having to pay any tax. As a result, the price of grain has become relatively stable despite the recent heavy rainstorms.

9332/7687

CSO: 4209/193

ECONOMIC PLANNING, TRADE, AND FINANCE

BRIEFS

SEDENTARY FARMING DEVELOPMENT--Hanoi VNA March 11--With the help of the state and the local people in the midlands and highlands in Vietnam, about 250,000 people settled for sedentary life and farming in 1985. They accounted for 90 percent of the number planned for last year and brought to 950,000 the total number of people who resettled over the past five years from 1981-1985. The provinces of Quang Ninh, Bac Thai, Vinh Phu and Ha Son Binh in the north and Dong Nai in the south, and 20 districts in other parts of the country have completed their programs of population settlement for sedentary life and cultivation. In 1985, the new settlers reclaimed 4,613 ha for food crops, surpassing the yearly program by three percent, planted long-term industrial crops such as tea, tung, teaoil, coffee and anise on 2,114 ha, and built 109 small-sized irrigation works, thus increasing the supply of electric power to minority people in the highlands. [Excerpt] [Hanoi VNA in English 0718 GMT 11 Mar 86 OW] /6662

CSO: 4200/805

AGRICULTURE

10 DAY REVIEW OF AGRICULTURAL ACTIVITIES REPORTED

OW130915 Hanoi Domestic Service in Vietnamese 1100 GMT 10 Mar 86

[Text] Dear friends: Following are some noteworthy developments in agricultural production over the past 10 days.

The southern provinces have completed their sowing and planting work for winter-spring rice. The planted acreage, although showing an increase of 8 percent over the corresponding period last year, is still below the plan norm. By and large the southern provinces have done a good job in winter-spring cultivation this year, with many provinces overfulfilling the plan norms. However, a number of provinces in eastern Nam Bo and Ho Chi Minh City, due to drought-related water shortages, are still continuing their sowing and transplanting work.

Along with conducting sowing and transplanting, the provinces, in the past 10 days, have harvested early winter-spring rice. So far, more than 100,000 hectares have been harvested, with high yields in all harvested areas.

Due to severe cold weather in the past week, some northern provinces have not yet completed their sowing and transplanting work. According to Agriculture Ministry reports, by 5 March, some 80,000 hectares in the northern provinces had remained uncultivated, including more than 20,000 hectares in the mountainous region and about 24,000 hectares in the midlands.

All in all, the winter-spring rice is developing well, especially the early rice. The late spring rice, however, has been affected by the cold weather. In many provinces rice plants have perished, some 800 hectares in Thanh Hoa, nearly 300 hectares in Hai Hung, and some 200 hectares in Ha Son Binh.

In the past week, localities have devoted their efforts to tending and fertilizing the rice, weeding, and replacing the perishing rice plants with new ones. They have created conditions for the rice plants to develop evenly.

During the same period, localities across the country have accelerated the planting of spring vegetables and secondary and industrial crops. So far, more than 377,800 hectares of subsidiary crops, or 99 percent of the planted area in the corresponding period last year, have been planted, with corn and sweet potato being the major crops. The planted industrial crop area was

179,700 hectares, a 15-percent increase over the corresponding period last year, with notable increases of peanuts, soybeans, and sugar cane, but a decrease of tobacco. Drought and hot weather, however, have adversely affected the newly planted crops.

Dear friends, in order to ensure success in agricultural production, in the coming week, the northern provinces should devote efforts to doing well the following work: They must switch main efforts to tending, fertilizing, and weeding the newly planted rice, and to conducting insect control to protect it; as chemical fertilizers are in short supply now, localities must actively carry out weeding and use fertilizers rationally, the best way being to insert small balls of fertilizer at the foot of each rice plant, in order to economize on nitrogenous fertilizer and better help rice growth; insect control, in particular, must be conducted in time; and more vegetables and secondary and industrial spring crops must be planted.

In the recent past buffalo and cattle in many localities have died as a result of a severe cold spell. Therefore, animal categorization according to health must be carried so that plans for improving animal health conditions and draft power can be worked out. Meanwhile, attention must be paid to farm equipment maintenance in support of soil preparation for the next crop.

The southern provinces should pay attention to protecting the late winter-spring rice, strive to harvest the ripened early rice, and make preparations for ensuring tractors, seeds, materials, and fertilizers for the summer-fall crop.

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CSO: 4209/385

AGRICULTURE

FINANCIAL-MATERIAL DIFFICULTIES IN IRRIGATION DISCUSSED

Hanoi NHAN DAN in Vietnamese 18 Nov 85 p 2

[Article by Bui Ngoc Lien, of the Ministry of Water Conservancy: "Let Irrigation Enterprises Shift to Economic Accounting"]

[Text] To date, irrigation enterprises have carried out economic activities according to an administrative method based on bureaucratic centralism and state subsidies, and to a financial system involving the use of income to defray expenses and the compensation of differentials by state subsidies. This situation has not created conditions for enterprises to take the initiative in production and to achieve financial independence.

In pursuance of the resolution of the Eighth Plenum of the Central Committee, irrigation enterprises must shift from bureaucratic centralist management with state subsidies to economic accounting and socialist business, streamline production organization, formulate and apply economic and technical standards and norms, ensure an increased income, make rational expenses, better manage irrigation works, and serve agricultural production more effectively. To create favorable, correct, and reasonable conditions for their shift to economic accounting, irrigation enterprises hope that the financial system will be rid of the following impediments:

1. Concerning the Source of Income of Enterprises: At present, the sole source of income of irrigation enterprises is water-conservancy fees. Because the policy of our party and state is to stimulate production, the rate of water-conservancy fees collected is still low and they are collected in the form of paddy whose amount is calculated according to the actual crop output. Meanwhile, irrigation and drainage incur huge expenses, including payments for electricity supply and regular and major repairs of irrigation works, machines, and equipment, and payment of wages and bonuses to cadres, workers and so on, at a time when the prices of electricity, oil, and materials are soaring. The service rendered by irrigation networks is not limited to crop irrigation and drainage but also includes water supply for daily needs of man and domestic animals, and must contribute to improving the living, sanitary, traveling, and transport conditions and to building the new socialist rural areas, building and consolidating cooperatives, developing labor and land potentials, and redistributing the work force and population. Noteworthy is the fact that drainage projects must assume

drainage for all natural areas in each zone--such as municipality, city, and town--so that the amount of water drained through irrigation projects is enormous. For the Irrigation Enterprise No 1 in Ha Nam Ninh, 51 percent of the electricity cost is incurred by pumping and draining to meet these nonagricultural and unproductive requirements. But, in practice, this expense has not yet been considered a source of income for the enterprise. Therefore, in addition to the water-conservancy fees collected on the agricultural production area, the financial system must consider it necessary to include the above-mentioned sources of income in the overall source of income of enterprises. Because the state does not yet intend to collect fees, the state budget must calculate electricity cost for the enterprises' benefit, thus creating conditions for irrigation units to take the initiative in production, to perform economic accounting, and to achieve rational balance between income and expenses.

2. Concerning Electricity Cost and Management of and Repair to the Electric Network: Irrigation enterprises spend a huge amount of money every year to pay for electricity (from 50 to 60 percent of their total expenditures). Most pump stations have to operate at night to avoid peak hours. Decree No 80-HDBT of 19 July 1983 of the Council of Ministers promulgating regulations on the supply and use of electricity has stipulated that the price of electricity used in slack time must amount to only 40 percent of that paid for electricity used during normal hours. But so far the electricity sector has not yet implemented these regulations. The electricity network with its transformers serves not only water pumps but also many other sectors, but the electricity sector does not yet agree to directly assume management and repairs and to make the required investments, although the Council of Ministers has already decided that this sector must take over and directly assume the management and repair service.

3. Concerning Depreciation of Fixed Assets of the Irrigation Sector: Decree No 112-HDBT of 25 August 1984 on collection of water-conservancy fees has established a system of depreciation of fixed assets of the irrigation sector. Irrigation projects have very great value; they have been built during many periods of time; the prices of materials and labor wages have changed; the capital invested has come from central and local budgets and includes the building efforts of the people. Because of their operation under the bureaucratic centralist and state subsidy system, attention has not been paid to evaluating the fixed assets of irrigation projects and their management has been loose. On completion of their construction, almost all projects have been put under management and into operation without evaluating and handing over the fixed assets to enterprises. It is necessary to calculate all rational expenses incurred by irrigation enterprises and to include the huge depreciation of fixed assets of irrigation projects. Therefore, the joint agencies at both the central and local levels must guide irrigation enterprises as to the working theme, method, and time to enable them to calculate the depreciation of fixed assets according to Decree No 112-HDBT of the Council of Ministers.

4. Concerning the Supply of Materials and Spare Parts To Repair Projects and Machines: Irrigation projects are likely to break down frequently because they are subjected to the direct effect of nature and society and also

because they must work continuously. So far, however, the state has formulated plans and set norms only for the supply of materials to capital construction projects but not for the supply of materials and spare parts necessary to their management and operation by enterprises. Minor breakdowns in some projects have thus led to serious deterioration with the resulting decline in design output and service efficiency. No sooner had many state projects been completed than they were handed over to irrigation enterprises which were required to manage and operate them and, at the same time, to improve them continuously, but this has proven impossible for lack of planned norms on material supply by the state. For this reason, irrigation enterprises hope that the state will draw up plans and set norms to supply the materials necessary for the management and operation of irrigation projects and that these supplies will be included in other state plans and norms for material supply so that irrigation enterprises may maintain their normal activities and meet the requirements of agricultural production.

9332/7687

CSO: 4209/193

CAUSES OF DECREASED GARLIC OUTPUT EXAMINED

Hanoi NHAN DAN in Vietnamese 18 Nov 85 p 2

[Article by Quyet Thang: "Why Has the Garlic Area in Tu Loc District Decreased Rapidly?"]

[Text] It is a sad thing to speak about garlic production in Tu Loc District (Hai Hung Province). In 1983, Tu Loc grew 570 hectares of garlic; this area dropped to 327 hectares last year and now there remain only 65 hectares in the current cultivation season. What is the cause of this situation? It is not because peasants in Tu Loc do not know how to grow garlic well. Over the past 6 years, garlic output has increased continuously; it was more than 3 tons per hectare in the worst year. The weather conditions, climate and land of Tu Loc are suitable to garlic cultivation. More than half the farming area of the district is made up of humus soil. Natural calamities have never caused serious damage to garlic production. If so, why has the garlic area in Tu Loc decreased continuously?

It is not because the district party and people's committees and the cooperatives have incorrectly assessed the role of garlic crops. Though garlic production is not a traditional business of this district, most peasants in Tu Loc know that garlic is a plant of great export value which is easy to grow and which does not tend to encroach on the rice area. Anyone visiting Tu Loc in the past few years to watch the winter crop cultivation will certainly remember the animated atmosphere during the garlic-growing season. Whole villages and the whole district were busy growing garlic. Garlic plants were seen in the fields and other open areas, alongside canals, and even in private gardens. However, because of the failure to evaluate the economic effect and to delimit garlic producing areas, the movement would decline everywhere whenever difficulties arose.

But that is still not the principal reason for the decrease in garlic production in the district. The direct cause is irrational organization of the purchasing mechanism and neglecting to encourage farmers to produce garlic.

Whether the supply of materials to be used in purchasing garlic is sufficient and homogeneous or not depends on the agricultural service while garlic

purchase is the monopoly of the Hai Hung Import-Export Corporations Federation. Usually, the garlic-purchasing period is exactly the time when the provincial authorities need materials to purchase grain and food products from peasants. Therefore, garlic purchase is considered second to other agricultural products and has had to wait for the delivery of materials.

After the harvest, the sale of garlic [by peasants] is also hampered. Everyone knows that in view of the present conditions in rural areas, it is usually difficult to preserve exportable garlic and that the longer it is kept, the lower its quality. Nevertheless, the provincial Import-Export Corporations Federation takes a long time to buy garlic (from mid-March to early May). Many garlic-producing peasants have complained that despite their small capital, they have had to hang garlic cloves on the beams of their house roofs because they cannot sell it. When the provincial authorities are buying garlic, anyone taking garlic out of the provincial area will be fined a sum equal to 100 percent of the garlic value. But the provincial authorities do not buy much garlic from Tu Loc: in the highest year they bought only 500 tons, which was less than one-third of the garlic output. Only after the foreign trade sector has stopped buying garlic will the district home trade sector and marketing cooperatives be allowed to sign contracts to buy garlic from peasants. Whether the provincial home trade sector will buy garlic or not depends on commercial relations inside and outside the province; usually, this sector relies on other garlic-producing provinces. The quantity of garlic bought by the district and marketing cooperatives is only a decimal fraction of the garlic surplus. Some public agencies and economic units inside and outside the province also buy garlic but only when its quality has dropped because it has been kept too long. Peasants will then have to listen to annoying complaints from buyers and to allow them to choose good-quality cloves one by one. A peasant said: "The money derived from garlic sale is insignificant. Had it been possible to replace rice by garlic, I would have kept garlic and eaten it."

We have not yet spoken of the price of garlic and the state's belated payment for the garlic purchased. Some people have not yet received payment for the garlic they sold last year. The provincial authorities recently raised the price of garlic but it comes to only one-third of the free-market price. After calculating the cost of seeds and fertilizers and the wage paid on a workpoint basis and after comparing the sum total to the garlic purchase price offered by the state, a district cadre has concluded that the more garlic a cooperative produces, the heavier loss it will sustain. Moreover, in recent years, the sale of garlic to the state was reciprocated by the offer of exchange goods but this practice has been discontinued for 2 years. Therefore, though planning at first to grow garlic on 300 hectares in the current winter season, the district has reduced this area to 150 hectares after assessing the peasants' ability to grow it. At the approach of the garlic season, cooperative cadres had to strongly urge its cultivation but the cultivated area came to only 65 hectares. At that time, garlic seedlings could be seen in some rows of shops at all rural markets. Many peasants who were fully able to produce garlic also sold out their garlic seedlings because they intended to concentrate on the more profitable cultivation of rice.

Many of them were willing to pay the penalty imposed by the cooperative following their refusal to grow garlic. In the last cultivation season, the garlic area in Tu Loc was cultivated by more than 20 cooperative; during the current season, this area is being tended by only 5 of them. In the past, the Lien Hong cooperative ranked first among garlic growers in the district; during the current season, this cooperative does not grow garlic even on a single hectare.

Therefore, during the current winter season, the cultivation of garlic for export is a thorny problem not only for Tu Loc District but also for Hai Hung Province as a whole.

9332/687

CSO: 4209/193

AGRICULTURE

COLLECTION OF OVERDUE AGRICULTURAL DEBTS INTENSIFIED

Hanoi NHAN DAN in Vietnamese 18 Nov 85 p 2

[Article by Vu Kiem: "Initial Change in the Collection of Product Arrears in Thai Binh"]

[Text] Prior to the 1985 spring season, overdue delivery of products by agricultural cooperatives in Thai Binh presented a rather serious problem. The average output in the 4-year period from 1981 to 1984 showed an increase of 1 ton per hectare in comparison with the 1976-1980 period. However, late in 1984, out of 301 cooperatives in Thai Binh, there still were 280 (93 percent) which fell behind with the delivery of products, and 132 of them each still owed 100 tons of paddy or more. Not only weak but also fairly good cooperatives made belated delivery of products and not only after poor harvests but also following bumper crops.

By the end of 1984, the amount of product arrears throughout the province came to more than 34,000 tons. Compared with the years preceding the implementation of the product contract system, product arrears increased sevenfold and each cooperative still owed 124 tons on the average.

This arrearage had many causes but was due primarily to the uneven development of production. Most families exceeded the contract norm but some could not; instead, they fell short, received a low income, and found it difficult to make a living. Certain cooperative members lacked manpower, production experience, and also materials and capital because their families had been poor even before the product contract system was implemented. The difficulties experienced by each family badly reflected on production and whether this effect was slight or serious depended on the extent of difficulties. Usually, the output of families of this category was below average and caused the collective to fall behind in delivering products.

Because the income of people engaged solely in crop cultivation was already decreasing continuously, it would drop further if these people fell into the category of "families best with difficulties." Under the product contract system, in the past nine agricultural seasons, Thai Binh continuously harvested bumper crops but instead of increasing, the amount of grain distributed to each laborer and that sold in exchange for each working day tended to decrease continuously for many reasons. Despite abundant harvests, it was

necessary to reduce contractual output because the indivisible grain fund increased and because the widespread state subsidy system had led to the distribution of income to many types of workers not directly participating in production.

Ever since the product contract system was applied to laborers, many cooperatives tended to slacken management, and the five jobs assumed by the collective were not carried out satisfactorily. Consequently, some families beset with difficulties did not have the necessary conditions to perform production. Cooperatives neither settled accounts in a democratic manner nor published plans in good time. Many of them neglected the collection of products and failed to concentrate on guidance and to bring the aggregate strength of basic installations into play to gradually step up production and create equal strength within each cooperative and production unit.

Together with the causes and shortcomings inherent in each production installation, product arrearage among cooperatives was caused by the failure of some state economic organs to promptly supply materials to serve production. Party committees and the administration at various echelons failed to exercise close leadership and guidance and to quickly pay for the agricultural products purchased; many working days performed by various sectors and crafts which were actually less valuable than those performed for rice cultivation were nonetheless considered qualified for an equal share of income.

At the end of the 1984 10th-month season, the standing committee of the Thai Binh Provincial Party Committee found it inadvisable to allow the product arrearage to drag on and the cooperative members' debts to increase continuously. Therefore, right at the beginning of the 1985 spring production season, Thai Binh tried by all means to resolve this thorny problem. Party committees and the administration at all levels in Thai Binh realized that to fight against product arrearage, it would be necessary to address it at its roots instead of waiting until the rice harvest to begin dealing with it. This means that it would be necessary to enable people receiving fields on contract to exceed or fulfill the contract norm by helping them and by creating the necessary conditions for them before, during, and after the production seasons.

Experiences in preventing product arrearage in Thai Binh in the last spring production season have shown that right at the beginning of this season, cooperatives took the initiative to categorize their members' families and to provide realistic assistance for those beset with difficulties in order to achieve equal rice productivity. In directing production, cooperatives properly carried out the five jobs assumed by the collective. Almost all cooperatives published their income distribution plans at an early time in order to set their members' mind at ease and motivate them to voluntarily deliver products. Cooperatives unable to draw up their own plans in time had to use the fixed plan norm temporarily and read just it later on.

Ever since the 1985 spring production season, Thai Binh has been able to step further aggravation of product arrearage and has created conditions to

basically settle this problem by the end of 1986. By the end of August 1985, as a result of the collection of arrears, 96 percent of the spring product and 30.34 percent of overdue debts were collected in Thai Binh. After reassessing the composition of debts and eliminating debts whose owners were absent and debts which bore interest or were incurred through failure to pay penalties, it appeared that the overdue debts in Thai Binh actually amounted to 30,485 tons. Since 9,250 tons were collected in the recent spring season, there remained 21,235 tons. This initial and encouraging achievement is due to the efforts of all levels and sectors in the province, especially the role of the district level.

Thai Thuy can be set as an example because it is a district which has obtained the greatest result from the struggle against arrears and the collection of overdue products. By the end of 1984, 51 out of 52 cooperatives in Thai Thuy were still in arrears with the delivery of products which amounted to 4,168 tons of paddy together with 1.5 million dong, which represented 68 percent of all items in the indivisible fund, and which included 3,644 tons owed ever since the implementation of the product contract system in 1982.

At the beginning of the spring production season this year, Thai Thuy District classified households according to the size of their debts in order to set forth measures to help them in matters of seeds and capital and fertilizers and to create conditions for them to surpass the contract norms. Realities have demonstrated that over 60 percent of all households in arrears with the payment of debts lacked manpower, materials, and experience in intensive cultivation. Attention was, therefore, paid first to families having difficulties with manpower or having only little capital. Specialized units in cooperatives were further strengthened to help contractors grow crops on schedule and according to technical regulations.

While taking care of rice crops, district leading comrades were assigned to closely watch each cooperative which, in turn, had to watch each field cultivated by production units and to accurately assess the number of households likely to exceed or miss the output norm. This measure was necessary to find ways to achieve uniform production. Fields lacking water or fertilizers or afflicted with insects were quickly discovered and measures were immediately taken by the cooperative to solve the problem. With regard to families unable to buy fertilizers, the cooperative granted them loans and collected their paddy after the harvest.

When the crop was being harvested in each field, cooperatives ordered the delivery of product to the collective on a first priority basis instead of waiting until completion of the harvest to effect a general delivery. This measure was coordinated with motivation and prompt commendations and rewards during each period of time. Guidance committees at the district and village levels and product collection teams worked in earnest. The early publication of a detailed program indicating clearly various types of debts, including those to be paid and portions to be kept by laborers, had the effect of stimulating laborers and motivating them to voluntarily deliver their product and paying their debts to cooperatives.

With regard to households in arrears with the payment of debts, cooperatives in Thai Thuy District carefully classified them and tried to find out the reasons for their arrearage in order to devise appropriate measures to deal with them. Concerning families really beset with difficulties, cooperatives drew up a plan allowing postponement of their debt payment or established a timetable for yearly payment of their debts. As for persons bent on delaying their debt payment, administrative measures had to be taken to deal with them.

Thai Thuy displayed great flexibility in taking measures to collect debts. For families paying their debts in the form of meat hogs, a parity of 1 kg of meat on the hoof for every 5 kg of paddy was applied. If money was paid, cooperatives would apply the price of 20 dong per kg of paddy (18 dong only for families of fallen heroes and wounded soldiers). If debts were paid in the form of peanuts, the price of 1 kg of peanuts would be considered equivalent to that of 3 kg of paddy. Any family could pay their debts in all these three forms. For every 100 kg of paddy paid by production units and cooperative members' families, cooperatives offered a reward ranging from 2 to 5 kg and canceled their debts. Owing to this measure, many production units and families helped each other in their endeavor to pay all debts and to receive the cooperatives' reward. Cases of cadres' and party members' families in arrears in the payment of debts and those of families capable of paying but unwilling to pay their debts were submitted to the collective for examination and decision on ways to deal with them.

This flexible use of various forms of collecting debts helped resolve problems concerning households beset with difficulties or cooperatives yielding a low paddy output. As a result, after the spring production season of this year, Thai Thuy was able to collect 2,614 tons out of 4,168 tons of old debts. The amount collected represented 62 percent of old debts and included a sum of money equivalent to 500 tons, 50 tons in the form of meat hogs, and 25 tons in the form of peanuts. Members of 15 cooperatives paid off their old debts and one family paid off at once by delivering 1,497 kg. Throughout the district, 28 cooperatives and 60 percent of all production units collected all old debts and 562 out of 942 families were no longer in arrears in the payment of debts. Eight to 10 days after the collection date was fixed and the reward system criteria published in the villages of Thuy Ninh, Thuy Chinh, and Thai Thanh, cooperatives were able to collect the entire amount of new product plus all old debts. One hundred percent of all fairly good cooperatives, some 60 to 70 percent of all production units in average cooperatives, and 30 to 40 percent of all production units in weak cooperatives paid off their debts.

Throughout the process of organizing the collection of product arrears in Thai Binh, the exemplary role of cadres, party members, and mass organizations exercised an obvious effect. Almost all districts uniformly implemented psychological, educational, materially incentive, and administrative measures when necessary. Many localities actively employed various forms of debt collection according to the composition of debts, the categories of debtors, and the dates of debt payment and product delivery and, on this basis, decided whether payment should be made in cash or in kind.

The movement to collect product arrears and unpaid debts in Thai Binh has obtained definite results, contributed to strengthening the collective economy, and created conditions for cooperatives to develop production. Had the sectors concerned at all levels paid attention to this task and coordinated their action, the result of debt collection would have been greater. Certainly, the overdue delivery of product by agricultural cooperatives is not an insoluble problem. Of course, this complex task must be carried out along with the perfection of the product contract mechanism, with the updating of the management mechanism, with the struggle against bureaucratic centralism and state subsidies, and with the complete shift to economic accounting and socialist business among agricultural cooperatives.

There are great possibilities that Thai Binh may obtain an abundant crop from the current 10th-month production season. Many factors exist that will make it possible to achieve an output of 7 tons of paddy per hectare this year. Thai Binh has had a plan to collect during this season 30 to 50 percent of the remaining arrears amounting to 21,235 tons of paddy with the objective of completely resolving the arrearage problem during the 1986 10th-month production season.

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HEAVY INDUSTRY AND CONSTRUCTION

BRIEFS

POWER PLANT REPAIR--Hanoi, 7 Mar (VNA)--The reparation of the generator unit No 1 at the Thu Duc thermo-electric power plant on the outskirts of Ho Chi Minh City, with assistance from the Swedish International Development Authorities (SIDA), has been completed 17 days ahead of schedule. The reparation of the three generator units of this 165-mw power plant, built long before the 1975 liberation of South Vietnam, is conducted in two phases. With the present tempo of progress, the first phase is expected to conclude about 2 months ahead of plan. The plant's electricity accounts for half of the total electricity output of all southern power plants. [Excerpt] [Hanoi VNA in English 0748 GMT 7 Mar 86 OW] /9599

CSO: 4200/799

HEALTH, EDUCATION, AND WELFARE

BRIEFS

ADULT EDUCATION CLASSES--Hanoi, 7 Mar (VNA)--In the 1985-86 school year, almost 65,000 cadres and young people in Ho Chi Minh City are attending complementary classes opened at all the 18 precincts and districts in the city, 10,000 people more than in the last school year. Besides, the city has opened a new kind of complementary classes for students who failed in entrance examinations to senior high schools. These classes are attended by more than 10,000 students. Job training is one of the main subjects at the classes. The Mekong Delta Province of Ben Tre is striving to help all its leading cadres finish the general education level, and its population, the primary education level. At present, more than 20,000 people in the province are attending complementary classes. The Mekong Delta Province of An Giang is running 13 full-time complementary education schools, 20 other schools for inservice personnel and 97 complementary schools at rural areas for local cadres and people. Each year, some 2,500 cadres in the province attend complementary classes from the primary to senior high education levels. [Excerpt] [Hanoi VNA in English 0743 GMT 7 Mar 86 OW] /9599

ECONOMIC MANAGEMENT COURSE--Hanoi VNA March 13--The Central Economic Management School in Ho Chi Minh City has opened a refresher course on economic management for 150 leading district cadres of the southern provinces. This course, the first of its kind for southern district managerial cadres, will last eight weeks. [Text] [Hanoi VNA in English 0720 GMT 13 Mar 86 OW] /6662

CSO: 4200/805

POPULATION, CUSTOMS, AND CULTURE

BRIEFS

CULTURAL ACTIVITY IMPROVEMENT--Quang Ninh Province has intensified the training of specialized cadres and provided special materials on a priority basis in order to improve the quality of mass cultural and artistic activities in ethnic minority areas, along the frontier line, and on islands. Mobile information units, mass arts and letters troupes, and a network of wired radio loudspeakers have carried out regular activities at basic installations to stress local political tasks, such as the struggle against the enemy's manifold war of encroachment and destruction, the development of the new socialist lifestyle, and the abolition of corrupt customs and habits. In areas inhabited by miners, the cultural, arts and letters movement has been strengthened and developed by emphasizing its quality and effect and avoiding ostentation and formalism. This movement is strong from all points of view in many enterprises, such as the Central Machine Works, the Uong Bi Power Plant, the Coc Sau and Deo Nai mines, the Hon Gai Machine Works, and the Cua Ong Coal Sifting Plant. [Text] [Hanoi NHAN DAN in Vietnamese 18 Nov 85 p 1] 9332/7687

POPULATION GROWTH RATE DECREASES--Hanoi, 11 Mar (VNA)--The population growth rate in Hanoi in 1985 dropped to 1.7 percent from over 2 percent in the previous years. This is due to the family-planning movement throughout the city. The city has stepped up pre-natal services, gynecological treatments and especially contraception. The number of mothers with three children and more has decreased over the years. This year, Hanoi plans to contain the population-growth rate within 1.5 percent and the birth rate 2 percent. [Text] [Hanoi VNA in English 0742 GMT 12 Mar 86] /9599

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